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# **Analysis of Impediments to Fair Housing Choice in the Commonwealth of Virginia**

**DRAFT: Prepared in Support of the Commonwealth of  
Virginia's Consolidated Plan**



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## Executive Summary

### Purpose

The following report, an *Analysis of Impediments to Fair Housing Choice* (AI), serves as a basis for the Fair Housing Planning (FHP) component of the Virginia Department of Housing and Community Development's (DHCD) Consolidated Plan. The Consolidated Plan is required by the United States Department of Housing and Urban Development (HUD) for State and Entitlement jurisdictions that receive funding for any of the following HUD formula programs: Community Development Block Grant (CDBG), HOME Investments Partnerships (HOME), Emergency Solutions Grant (ESG) and Housing Opportunities for Persons with AIDS (HOPWA). In addition to fulfilling federal requirements, the AI serves as a valuable resource for policy makers, advocates, state and local government staff, housing providers, and lenders. Further, the AI functions as a starting point to build awareness and support for fair housing efforts in the Commonwealth. The *Analysis of Impediments to Fair Housing Choice* reflects the Commonwealth's efforts to affirmatively further fair housing by identifying impediments to fair housing choice, identifying actions to overcome these impediments, and maintaining records of fair housing activities in the Commonwealth.

Impediments to fair housing choice as defined by federal and state law are any actions, omissions, or decisions taken because of race, color, religion, sex, disability, familial status, national origin, elderliness, source of funds, sexual orientation, gender identity, or military status that restrict housing choices or the availability of housing. Further, impediments to fair housing choice can also be defined as any actions, omissions or decisions that have the effect of restricting housing choices or the availability of housing choices based on race, color, religion, sex, disability, familial status, national origin, elderliness, source of funds, sexual orientation, gender identity, or military status.<sup>1, 2</sup> Though fair housing law generally applies to all housing and housing transactions, there are limited exempt or partially exempt circumstances, such as owner-occupied rental housing with less than four units and single-family housing sold or rented without a broker. As *race, color, religion, sex, disability, familial status, national origin, elderliness, source of funds, sexual orientation, gender identity, and military status* are designated as protected classes by federal and state fair housing laws they will be a primary focus of the AI. It should be noted that while this report is a study of impediments to fair housing choice in the Commonwealth of Virginia as a whole, a number of localities within the Commonwealth produce their own individual AIs as required by HUD.

### Methodology

This report outlines the history of fair housing and related legislation in the United States and the Commonwealth as well as providing data relevant to fair housing. The data focuses on the twelve protected classes designated by state and federal fair housing law. In addition to a detailed discussion of the protected classes, there is a discussion of housing, income, and employment in

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<sup>1</sup> U.S. Department of Housing and Urban Development Office of Fair Housing and Equal Opportunity, *Fair Housing Planning Guide: Volume 1*, March 1996.

<sup>2</sup> Virginia Department of Professional and Occupation Regulation (DPOR): Virginia Fair Housing Office, <http://www.dpor.virginia.gov/FairHousing/> (December 2021).

the Commonwealth as these topics are closely linked to fair housing. Housing, income and employment data is also woven throughout the discussion of the protected classes as it specifically relates to each protected class. This analysis also includes discussion of transportation as it relates to housing, employment, and income as it influences and is influenced by these factors. The background data in the AI relies primarily on existing data available through the Census Bureau, HUD, and other state, federal, and non-profit agencies. Finally, there is a discussion of trends in fair housing complaints filed in the Commonwealth in recent years.

In addition to providing background data, this report identifies barriers to fair housing choice in the Commonwealth through a discussion of the following issues: state and local regulatory barriers, Home Mortgage Disclosure Act (HMDA) data, Community Reinvestment Act (CRA) data, and local and regional fair housing testing efforts. This analysis also includes the results of an online survey pertaining to housing issues in the Commonwealth which was sent to all DHCD partners and stakeholders.

After thoroughly outlining impediments to fair housing choice in the Commonwealth, there is a discussion of fair housing programs and initiatives and the agencies that administer them within the Commonwealth. Additionally, there is a brief summary of the process for enforcing fair housing law and rectifying instances of discrimination in the housing market. The final component of the AI is a review of the impediments to fair housing choice identified in this report and recommended strategies to work towards eliminating these impediments. The strategies discussed do not provide a singular binding action plan but instead serve to spur conversation and action among a variety of stakeholder groups involved with fair housing choice in the Commonwealth of Virginia.

## **Selected Findings**

This report covers a wide variety of topics and offers a detailed discussion of fair housing choice and its related issues in the Commonwealth. Each section of the AI reveals certain findings that are particularly important in understanding impediments to fair housing choice in the Commonwealth. These selected findings, as well as the impediments to fair housing choice identified in this report, are presented in this section.

### Findings:

- As has historically been the case, Virginia's two largest racial groups by percent of the total population are White and Black with 69 and 19 percent respectively in 2021.
- From 1990 to 2021, as a percent of the total population, the population of racial minorities in Virginia has steadily increased. The Commonwealth's changing demographic landscape imposes implications for fair housing choice.
- In general, minorities rent at a higher rate than the White population, have a lower median income, and have a higher portion of their populations below the poverty line.
- In 2021, 31.1 percent of households in Virginia had children under 18 years old.
- Among single mothers in 2021, it was estimated that 30.14 percent lived at or below the poverty line; this figure is in stark contrast to the 10.95 percent of all families with children under 18 that lived at or below the poverty line.

- In 2021, 12.5 percent of Virginia’s population was foreign-born; almost 80 percent of the foreign-born population is from Asia and Latin America, mirroring the growth in the Asian and Hispanic populations.
- As of 2021, about ten percent of housing units in Virginia were vacant with approximately 1/3 of households renting and 2/3 of households living in owner-occupied housing.
- In regards to housing affordability, approximately 45 percent of renters in Virginia are cost-burdened (pay more than 30 percent or more of income towards rent) and 30 percent of homeowners are cost-burdened.
- Virginia has lower unemployment and a higher median income than the nation as a whole. Income inequality remains an issue, and income and poverty remain acute regional issues in Virginia.
- Fair housing complaints filed based on race and disability account for more complaints than any other protected classes at both the state and national levels; there are a significant number of fair housing complaints filed based on familial status and gender at the state level.
- The annual number of fair housing cases closed in Virginia has ranged from 210 in FY 2017 to about 350 in FY 2021.
- Over the past five fiscal years, 41.2 percent of fair housing complaints in Virginia were closed administratively, less than one percent of complaints resulted in the Fair Housing Board issuing a charge, and 1.9 percent of complaints found a violation.
- Minority mortgage denial rates are higher across income levels; denial rates are particularly high for minorities at the lowest income levels in the conventional mortgage market.
- Based on survey results, color, disability, race, and elderliness are the protected classes most likely to experience barriers to fair housing choice in Virginia.

Impediments to Fair Housing Choice:

- 1. Discrimination in the rental and sales housing markets. Fair Housing Complaint Data indicates that discrimination based on disability and race is most prevalent in the Commonwealth and nationwide.**
- 2. Constraints in the mortgage lending market. Data gleaned from the Home Mortgage Disclosure Act (HMDA) demonstrates higher denial rates in the mortgage markets for minorities at all income levels, particularly at the lowest income levels in the conventional loan market.**
- 3. Lack of fair housing education— among real estate agents, landlords, housing providers, local officials, and individuals— impedes stakeholder understanding of and adherence to fair housing principles. Training is especially limited outside the major metropolitan areas.**
- 4. Limited availability and access to quality affordable housing constrains choice; there are a large number of low-income households in need of affordable housing and there are a large number of cost-burdened households, especially in the rental housing market. “Crowding out,” and combined transportation and housing costs are areas of concern regarding affordable housing.**

## Background Information

### Fair Housing Legislation

Fair housing in the United States came into being with the passage of the Fair Housing Act of 1968. This landmark legislation passed as Title VIII of the larger Civil Rights Act and it prohibited discrimination based *on race, color, national origin* and *religion* when renting, selling, financing or advertising housing.<sup>3</sup> Since the passage of the Fair Housing Act of 1968, the law has been amended and many states and localities have passed their own fair housing statutes. Additionally, a number of complementary laws have been passed that further strengthen the legal foundations for fair housing choice in the United States and in the Commonwealth of Virginia.

While the United States' initial fair housing legislation was passed in 1968, the Fair Housing Act was amended in 1974 adding *sex* as a protected class and was amended a second time in 1988 adding *handicap* (disability) and *familial status* as protected classes. Further, multi-family accessibility standards were enacted in 1991 as further protection in the housing market for people with disabilities. In addition to the Fair Housing Act and its amendments, related federal legislation extends into the credit and mortgage markets as well as providing added protections for people with disabilities.

Extending fair housing choice even further, the Equal Credit Opportunity Act of 1974 prohibits discrimination in the credit market on the basis of race, color, religion, national origin, sex, marital status, age, or because the individual or household receives public assistance. Adding to the Equal Credit Opportunity Act, the Home Mortgage Disclosure Act (HMDA) of 1975 requires certain financial institutions to annually disclose data related to the approval and denial of mortgages. Data released as a result of HMDA legislation has led to a more thorough understanding of discrimination against protected classes in the mortgage market by making financial institutions' mortgage lending activities more transparent. Also related to lending, the Community Reinvestment Act (CRA) of 1977 was passed to ensure that financial institutions with Federal Deposit Insurance Corporation (FDIC) insurance were lending to all areas where they were drawing deposits. While the legislation served many purposes, it made crucial steps towards combating redlining (the refusal of mortgage lenders to provide loans to people within particular geographic areas) and increasing access to credit for low-income and minority communities.<sup>4</sup> Outside of the credit arena, certain provisions of the Americans with Disabilities Act (ADA) of 1990 provide added protection in housing choice for those with disabilities. In particular, Article II of the ADA prohibits discrimination against those with disabilities in state and local public housing, housing assistance, and housing referrals.<sup>5</sup>

While federal fair housing law serves as the basis for fair housing legislation in the United States, states and localities may have their own fair housing laws so long as they are “substantially equivalent” to federal law. The “substantially equivalent” rule allows that a state

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<sup>3</sup> Alex F. Schwartz, *Housing Policy in the United States: An Introduction* (New York, NY: Routledge, 2006) 239.

<sup>4</sup> Schwartz, 217.

<sup>5</sup> U.S. Department of Housing and Urban Development: Fair Housing Laws and Presidential Executive Orders, [http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/fair\\_housing\\_equal\\_opp/FHLaws](http://portal.hud.gov/hudportal/HUD?src=/program_offices/fair_housing_equal_opp/FHLaws) (February 13, 2012).

or local agency may enforce its own fair housing laws so long as it is certified as being “substantially equivalent” to federal law by HUD’s Assistant Secretary for Fair Housing and Equal Opportunity. It is common for state and local fair housing laws to include more protected classes than federal fair housing law. Virginia passed its own Fair Housing Law in 1972, adding to federal law by including *elderliness* as a protected class. As defined by the Virginia Fair Housing Law (VFHL), *elderliness* refers to all persons 55 years and older.<sup>6</sup>

On July 1, 2020, the Commonwealth amended the VFHL to expand the number of protected classes in housing from eight to twelve. This legislation prohibits discrimination on the basis of an applicant’s *source of funds, sexual orientation, gender identity, or military status*.

In addition to Virginia’s fair housing legislation, the Virginians with Disabilities Act of 1985, which some see as the precursor to the ADA, includes language protecting fair housing choice for people with disabilities in the Commonwealth.<sup>7</sup> While the laws and regulations presented in this section are not the only ones affecting fair housing choice they are the primary vehicle for ensuring that all citizens of the Commonwealth have access to fair housing choice.

### **The Protected Classes in the Commonwealth**

Federal and state fair housing establish *race, color, religion, sex, disability, familial status, national origin, elderliness, source of funds, sexual orientation, gender identity, and military status* as protected classes. Simply put, it is illegal to discriminate against a person in the housing market because they fall into one of these eight categories. To understand fully what impedes fair housing choice in the Commonwealth it is first necessary to have an understanding of the protected classes. While much of data in this report discusses protected classes on an individual basis, fair housing choice and discrimination in the housing markets often involve complex and changing relationships among the protected classes.

#### Race

Historically, the Commonwealth’s population has been constituted primarily of two races, White and Black. While these are still the two largest population groups by race as of the 2020 Census American Community Survey, the population shows signs of change. From 1990 to 2021, the percentage of the Commonwealth’s population that is White decreased, while the percentage of the population that is Black remained static, and the population classified by the Census as Asian, some other race, two or more races, and Hispanic increased. The term “Hispanic” or “Latino” is not a race as classified by Census but is defined as follows: “Hispanic origin can be viewed as the heritage, nationality, lineage, or country of birth of the person or the person’s parents or ancestors before arriving in the United States. People who identify as Hispanic, Latino, or Spanish may be any race.”<sup>8</sup> Table 1.1 shows the changes in the make-up of the Commonwealth’s population by race from 1990 to 2021.

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<sup>6</sup> Virginia General Assembly: Legislative Information System, *Code of Virginia, Title 36 Ch. 5.1*, <https://law.lis.virginia.gov/vacode/title36/chapter5.1/> (November 8, 2017).

<sup>7</sup> WorkWorld, [http://help.workworldapp.com/wwwwebhelp/virginians\\_with\\_disabilities\\_act\\_vda\\_.htm](http://help.workworldapp.com/wwwwebhelp/virginians_with_disabilities_act_vda_.htm) (January 16, 2018); *Code of Virginia*, Title 51.5.

<sup>8</sup> U.S. Census Bureau: Population Topics, Hispanic Origin, <https://www.census.gov/topics/population/hispanic-origin.html> (November 8, 2017).

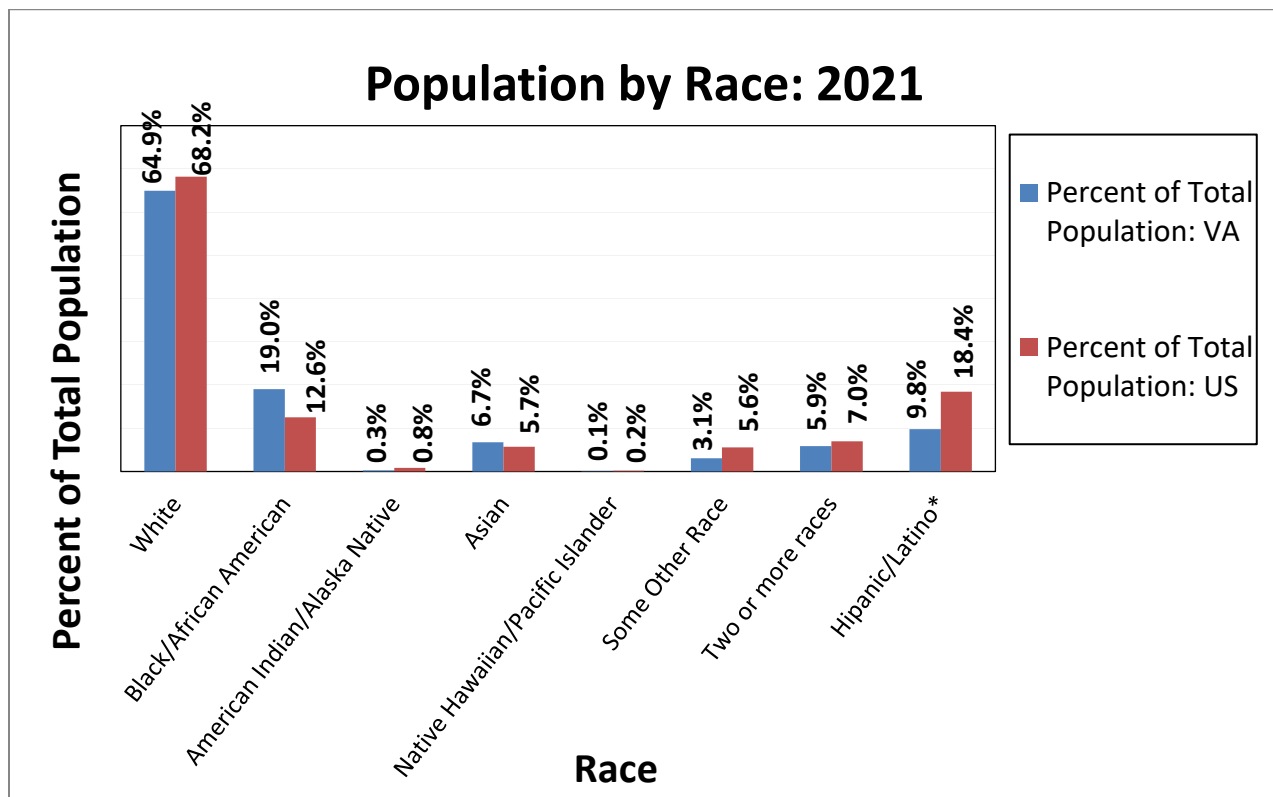
Percentage of Total Virginia Population by Race: 1990 - 2021				
Race	1990	2000	2010	2021*
White	77.40%	72.30%	68.60%	64.9%
Black/African American	18.80%	19.60%	19.40%	19.0%
American Indian/Alaska Native	0.20%	0.30%	0.40%	0.3%
Asian	2.60%	3.70%	5.50%	6.7%
Native Hawaiian/Pacific Islander	No Data	0.10%	0.10%	0.1%
Some Other Race	0.10%	2.00%	3.20%	3.1%
Two or more races	-	2.00%	2.90%	5.9%
Hispanic/Latino**	2.60%	4.70%	7.90%	9.8%

Source: U.S. Census (Decennial Census), U.S. Census (ACS 5 year – B02001\*)

\*\*Hispanic/Latino can be of any race

Table 1.1

In comparing the Commonwealth to the United States as whole, Virginia has a higher percentage of the population that is Black and a significantly lower percentage of the population that is Hispanic. Figure 1.1 displays the differences between the Commonwealth's population by race and the United States' population by race.



Source: U.S. Census Bureau, ACS 5 year estimates (2021) – B02001

Figure 1.1



Housing discrimination occurs in both the rental housing market and in housing sales. Understanding the racial breakdown in these markets can assist policymakers and enforcement agencies in knowing what to look for in each case. While about two-thirds of the Commonwealth's housing units are owner-occupied, this proportion varies across the various racial and ethnic categories. Whites and Asians have the highest rate of owner-occupancy at 72.68 percent and 68.93 percent respectively. Conversely, more than half of Blacks, Hispanics and those of some other race live in renter-occupied housing. Table 1.2 provides a more complete picture of housing tenure and race in the Commonwealth. Housing tenure statistics are critical to fair housing as the data indicates that rental discrimination consistently outpaces discrimination in the homebuyer market.<sup>9</sup>

<b>Virginia Housing Tenure by Race: 2021</b>			
<i>Race</i>	<i>Total Occupied Housing Units</i>	<i>Percent Owner-Occupied Units</i>	<i>Percent Renter-Occupied Units</i>
<b>White</b>	2,240,383	72.68%	27.32%
<b>Black/African American</b>	613,708	48.26%	51.74%
<b>American Indian/Alaska Native</b>	8,068	60.77%	39.23%
<b>Asian</b>	186,182	68.93%	31.07%
<b>Native Hawaiian/Pacific Islander</b>	1,777	53.24%	46.76%
<b>Some other race</b>	70,013	48.10%	51.90%
<b>Two or more races</b>	128,397	56.60%	43.40%
<b>Hispanic/Latino*</b>	230,558	51.46%	48.54%
<b>Virginia</b>	3,248,528	66.64%	33.36%

Source: U.S. Census, American Community Survey (5 year)

\*Hispanic/Latino can be of any race and not included in VA totals

**Table 1.2**

While a household's income level does not qualify it as part of a protected class, it does play a large part in determining the variety and quality of housing that the household will be able to access. It also has the potential to exacerbate other types of housing discrimination. Table 1.3 displays median household income and percent of families in poverty by race in the Commonwealth.

<sup>9</sup> National Fair Housing Alliance, *The Case for Fair Housing 2017 Fair Housing Trends Report*  
<http://nationalfairhousing.org/wp-content/uploads/2017/07/TRENDS-REPORT-2017-FINAL.pdf> (August 15, 2017).

<b>Estimated Virginia Household Income and Percent of Families in Poverty by Race: 2021</b>		
<i>Race</i>	<i>Median HH Income</i>	<i>Percent of Families in Poverty**</i>
<b>White</b>	\$86,797	7.93%
<b>Black/African American</b>	\$55,413	16.74%
<b>American Indian/Alaska Native</b>	\$73,982	10.71%
<b>Asian</b>	\$114,995	7.07%
<b>Native Hawaiian/Pacific Islander</b>	\$81,928	10.46%
<b>Some Other Race</b>	\$65,863	16.68%
<b>Two or more races</b>	\$83,526	10.32%
<b>Hispanic/Latino*</b>	\$76,127	12.92%
<b>Virginia</b>	<b>\$80,615</b>	<b>9.94%</b>

Source: U.S. Census, American Community Survey (5 year)

\*Hispanic/Latino can be of any race

\*\*In denoting families by race the Census qualifies by one member of given race in family

**Table 1.3**

## Color

While *color* is often thought to be included under *race* as a protected class, it is a protected class in its own right. As defined by the Fair Housing Council of Oregon, “Color is largely genetic and determined by the amount and type of pigment in the skin. It may, or may not, be related to race or national origin.”<sup>10</sup> While there is limited data regarding the population of Virginia based on color, discrimination based on color often occurs in tandem with other types of discrimination. Regardless, color is a federally protected class and discrimination can occur based solely on the color of one’s skin.

## Religion

Though not often evident during housing transactions, a person’s religion does qualify them as a having protected class status and decisions affecting housing choice made based on religion are potentially discriminatory. Religion is unique among the protected classes in that non-commercial housing associated with a religious institution can restrict residency to those affiliated with the religion.<sup>11</sup> For example, church dormitories designated for clergy that are not commercially available can restrict residency to only those affiliated with the church. Existing data estimates that about 80 percent of Virginia’s population has an affiliation with a religious

<sup>10</sup> Fair Housing Council of Oregon: Color as a Protected Class, <http://fhco.org/index.php/discrimination-in-oregon/protected-classes/color> (August 15, 2017).

<sup>11</sup> U.S. Department of Justice (DOJ): The Fair Housing Act, [http://www.justice.gov/crt/about/hce/housing\\_coverage.php#relig](http://www.justice.gov/crt/about/hce/housing_coverage.php#relig) (August 15, 2017).

tradition.<sup>12</sup> So, as relates to fair housing, a large portion of people participating in housing transactions in Virginia are likely to be part of a religious tradition.

On a more detailed level, it is estimated that almost 60 percent of Virginia's total population is affiliated with the Protestant tradition, 12 percent with the Catholic tradition, and a much smaller percentage with other religious traditions. Tables 1.4 and 1.5 show a detailed account of Virginia's population based on their religious traditions.

<b>Estimated Population by Religious Tradition in Virginia and the U.S.: 2017</b>								
	<i>Evangelical Protestant Tradition</i>	<i>Mainline Protestant Tradition</i>	<i>Historically Black Protestant Tradition</i>	<i>Catholic Tradition</i>	<i>Mormon Tradition</i>	<i>Orthodox Christian Tradition</i>	<i>Jehovah's Witness Tradition</i>	<i>Other Christian Traditions</i>
<b>Percent of Virginia Population</b>	30%	16%	12%	12%	2%	1%	< 1%	< 1%
<b>Percent of U.S. Population</b>	25%	15%	7%	21%	2%	1%	1%	< 0.5%

Source: The Pew Research Center, *Religion and Public Life*, U.S. Religious Landscape Study

**Table 1.4**

<b>Estimated Population by Religious Tradition in Virginia and the U.S.: 2017</b>								
	<i>Jewish Tradition</i>	<i>Muslim Tradition</i>	<i>Buddhist Tradition</i>	<i>Hindu Tradition</i>	<i>Other World Traditions</i>	<i>Other Faiths</i>	<i>Unaffiliated</i>	<i>Don't know / refused</i>
<b>Percent of Virginia Population</b>	1%	1%	1%	<1%	< 1%	1%	20%	<1%
<b>Percent of U.S. Population</b>	2%	1%	1%	1%	< 0.5%	2%	23%	1%

Source: The Pew Research Center, *Religion and Public Life*, U.S. Religious Landscape Study

**Table 1.5**

\*Latest available data – tables will be amended as updated research is published. Nevertheless, as religious tradition is a relatively static individual attribute, these estimates likely constitute a reasonable approximation of Virginia's current and near-future religious demographics.

<sup>12</sup> The Pew Forum on Religion and Public Life, *U.S. Religious Landscape Study*, 2017, <http://www.pewforum.org/religious-landscape-study/> (August 15, 2017).

## Sex

Under the Fair Housing Act, *sex* is a protected class. It is therefore illegal to discriminate against a housing applicant due to their biological sex. It should be noted that in some instances, private renters may restrict the sex of the person to whom they are willing to rent. For example, if a female is privately renting a single room in her house it is legal for her to advertise and rent the room only to a female.

In Virginia, males represent an estimated 49.45 percent of the population with 4,273,931 persons and females represent 50.5 percent of the population with 4,368,343 persons.

Virginia Male and Female Population: 2021		
Persons	Number	Percent
Male	4,273,931	49.45%
Female	4,368,343	50.55%

Source: U.S. Census, American Community Survey (5 year)

Table 1.6

## Disability

Disability is a unique protected class because it may require the owner or landlord of a property to make reasonable accommodations in their rules, policies, practices or services in order to afford persons with disabilities an equal opportunity to comfortably inhabit their unit. For example, if a particular rental unit does not have adequate access to garbage facilities, the owner may be required to provide additional services or a change in service in order to facilitate the use of these facilities. In addition, the Fair Housing Act requires the housing provider to allow its tenants to make reasonable modifications to units and common spaces in order to increase accessibility. Following the enactment of HUD's accessibility standards, units ready for first occupancy prior to March 13, 1991 put the financial burden for accommodations on the tenant. With a few exceptions, units ready for first occupancy after March 13, 1991 put the financial burden for accommodations on the landlord or property owner.<sup>13</sup> As a result of these requirements, disability has economic impacts on housing providers that put this protected class at risk. As an important side note, in making accommodations for a tenant with a disability, the landlord or property manager may not inquire as to the nature or degree of an individual's disability. However, the property manager or landlord does typically have the right to confirm, via the tenant's doctor or the medical professional treating them that the tenant has a disability.<sup>14</sup>

<sup>13</sup> U.S. Department of Housing and Urban Development: Fair Housing – It's Your Right, [http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/fair\\_housing\\_equal\\_opp/FHLaws/yourrights](http://portal.hud.gov/hudportal/HUD?src=/program_offices/fair_housing_equal_opp/FHLaws/yourrights) (September 21, 2017).

<sup>14</sup> Nadeen Green, "The New Sins in Fair Housing," Virginia Fair Housing Office: 3 Hour Fair Housing Seminar (Richmond, VA), April 3, 2012.

### Estimated Virginia Population by Disability Type: 2021\*

<i>Disability</i>	<i>Population with a Disability</i>	<i>Percent of Total Virginia Population</i>
<b>Hearing difficulty</b>	275,366	3.29%
<b>Vision difficulty</b>	186,165	2.23%
<b>Cognitive difficulty</b>	367,505	4.40%
<b>Ambulatory difficulty</b>	487,835	5.84%
<b>Self-care difficulty</b>	188,227	2.25%
<b>Independent living difficulty</b>	343,831	4.11%

Source: U.S. Census American community Survey (5-year estimates)

\*Percent of total population varies by disability as amount imputed for the estimate varies

Table 1.7

Of the total disabled population in Virginia, the largest portion, more than 372,785 individuals, fall into the 18 to 64 year old age group. Additionally, it is estimated that in 2021, more than 22.6 percent of the total population in Virginia age 65 and older had a disability. Table 1.8 gives a detailed breakdown of Virginia's disabled population by age.

### Estimated Virginia Population with a Disability by Age: 2021

	<i>Total Population</i>	<i>Population with a Disability</i>	<i>Percent of Age Group with a Disability</i>
<b>Population under 5 years</b>	501,469	3,008	0.60%
<b>Population 5 to 17 years</b>	1,388,370	79,643	5.74%
<b>Population 18 to 34 years</b>	1,865,861	121,456	6.51%
<b>Population 35 to 64 years</b>	3,296,961	372,785	11.31%
<b>Population 65 to 74 years</b>	796,305	180,261	22.64%
<b>Population 75 years and over</b>	509,018	237,178	46.60%
<b>Civilian non-institutionalized population</b>	8,357,984	994,331	11.90%

Source: U.S. Census American Community Survey (5-year estimates)

Table 1.8

As stated, a large proportion of disabled persons in the U.S. and in Virginia have physical disabilities making accessibility to housing units critical. One of the most important factors regarding building accessibility is whether entrance to and exit from the building requires the use of steps. Table 1.9 indicates that roughly 40 percent of housing units in the U.S. without immediate outside access do not require the use of steps. Among U.S. housing units that have immediate outside access, 45 percent do not require the use of steps. While there appear to be a large number of units accessible without steps as relates to the total proportion of population that has a disability, a number of other factors play a critical role in what housing is appropriate for those with physical disabilities. These factors include, but are not limited to, adequate width of

hallways and doorways, accessible kitchens and bathrooms, reachable technology and home fixtures, grade requirements for ramps, and durable flooring. Though the data presented in Table 1.9 is national data, it provides a rough guide to what accessible housing in the Commonwealth might look like. Of particular note to accessible housing is housing built before HUD's multifamily accessibility standards were enacted in 1991. Based on Census estimates, nearly 65.9 percent of Virginia's housing units were built before 1990. It is important to note that this figure includes single family units which would not have been subject to HUD's multifamily standards. This figure is slightly less than 69.5 percent of housing units nationally that were built before 1990.<sup>15</sup>

<b>Estimated U.S. Housing Units that Require Steps to Enter: 2015*</b>			
	<i>Total Units</i>	<i>Owner-Occupied</i>	<i>Renter-Occupied</i>
<b>Enter building from outside</b>	28,102	3,228	24,874
Use of steps not required	11,360	1,470	9,890
Use of steps required	16,707	1,749	14,958
Use of steps not reported	35	8	27
<b>Enter home from outside</b>	90,188	70,905	19,283
Use of steps not required	40,226	31,745	8,481
Use of steps required	49,889	39,099	10,789
Use of steps not reported	73	60	13

Source: U.S. Census, American Housing Survey 2015

\*Numbers in thousands

**Table 1.9**

## Familial Status

*Familial status* as it relates to fair housing generally means families with children. Fair housing law mandates that housing providers cannot refuse to sell or rent to families with children or impose special rules or restrictions on families with children. Like religion, there is an exception to the *familial status* protection. Certain housing can be designated only for older persons as outlined in the Housing for Older Persons Act (HOPA) of 1995.<sup>16</sup> This housing must adhere to specific guidelines and is designated for individuals 55 years and older. Also, landlords and realtors cannot refuse to rent or sell units built before 1978 to families with children because the units might have used lead paint. However, the landlord or realtor is obligated to disclose that lead-based paint hazard controls have not been used. Landlords may affirmatively market units where lead-based paint hazard controls have been used to families with children.<sup>17</sup>

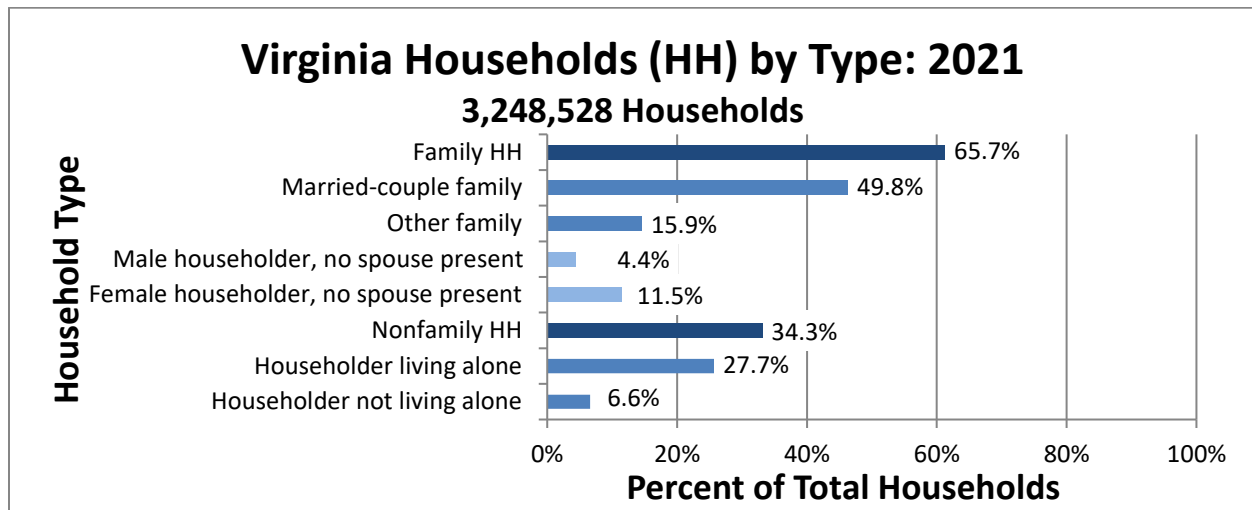
Figure 1.2 displays a detailed breakdown of Virginia's population by familial status. One will note that approximately 30 percent of households are family households with children under 18. Of particular importance for fair housing are family households with only one parent. Male

<sup>15</sup> U.S. Census Bureau: American FactFinder, [https://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS\\_15\\_5YR\\_B25034&prodType=table](https://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_15_5YR_B25034&prodType=table) (September 26, 2017).

<sup>16</sup> U.S. DOJ: The Fair Housing Act, [http://www.justice.gov/crt/about/hce/housing\\_coverage.php#famil](http://www.justice.gov/crt/about/hce/housing_coverage.php#famil) (February 22, 2012).

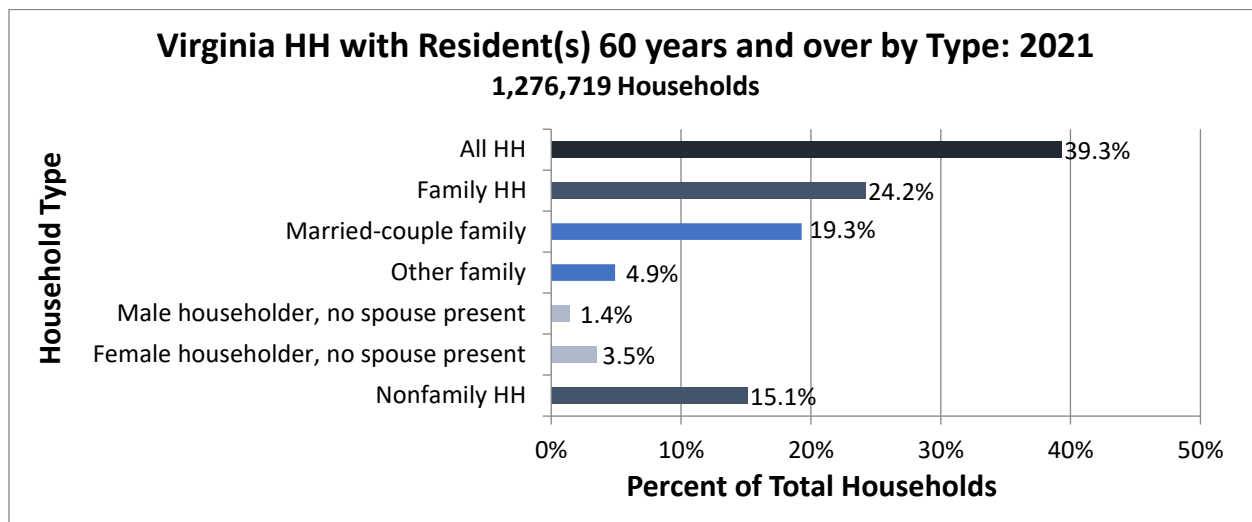
<sup>17</sup> U.S. Department of Housing and Urban Development Memorandum: The Fair Housing Act and Lead Based Paint <https://www.hud.gov/sites/documents/LEADBASEDMEMO.PDF> (September 27, 2012).

householders with no wife and children under 18 account for two percent of all households and female householders with no husband and children under 18 account for 6.6 percent of all households.



Source: U.S. Census, American Community Survey (5 year estimates)\*<sup>18</sup>

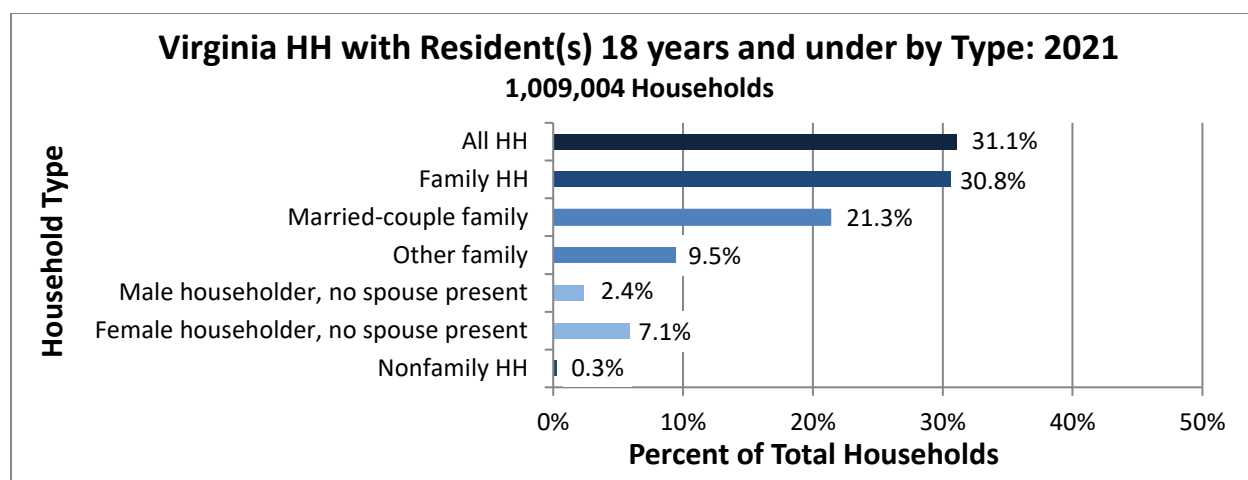
Figure 1.2



Source: U.S. Census, American Community Survey (5 year estimates) – B11006

Figure 1.21

<sup>18</sup> Family Household is defined by the Census as follows, “A family household is a household maintained by a householder who is in a family (as defined above), and includes any unrelated people (unrelated subfamily members and/or secondary individuals) who may be residing there...” <https://www.census.gov/programs-surveys/cps/technical-documentation/subject-definitions.html#familyhousehold>



Source: U.S. Census, American Community Survey (5 year estimates) – B11005

Figure 1.21

In addition to a detailed account of familial status in the Commonwealth, it is helpful to look at families and associated poverty levels. Again, while income and poverty do not qualify one as being part of a protected class, they do limit housing choice and they can exacerbate existing discrimination in the housing market. Census estimates in Table 1.10 show that in 2021, approximately 11 percent of all families in Virginia with children under 18 were below the poverty level and 4.18 percent of married couples with children under 18 were below the poverty level. This is in stark contrast to the 30.14 percent of families with a female householder, no husband present, and children under 18 that were below the poverty level.

Estimated Virginia Families and Poverty Levels: 2021						
	<i>All Families</i>	<i>Percent Below Poverty Level</i>	<i>Married-couple families</i>	<i>Percent Below Poverty Level</i>	<i>Female householder, no husband present</i>	<i>Percent Below Poverty Level</i>
<b>Families</b>	2,134,654	6.76%	1,617,381	3.18%	373,283	21.34%
<b>Families with related children under 18 years</b>	978,874	10.95%	690,191	4.18%	229,546	30.14%

Source: U.S. Census, American Community Survey (5-year estimates)

Table 1.10

### National Origin

Discrimination based on national origin can be based upon the country of an individual's birth or where their ancestors originated.<sup>19</sup> As Table 1.11 displays, almost 13 percent of residents of the

<sup>19</sup> U.S. DOJ: The Fair Housing Act, [http://www.justice.gov/crt/about/hce/housing\\_coverage.php#nat](http://www.justice.gov/crt/about/hce/housing_coverage.php#nat) (February 27, 2012).



Commonwealth were not born in the United States. Of the foreign-born population, more than half are not U.S. citizens.

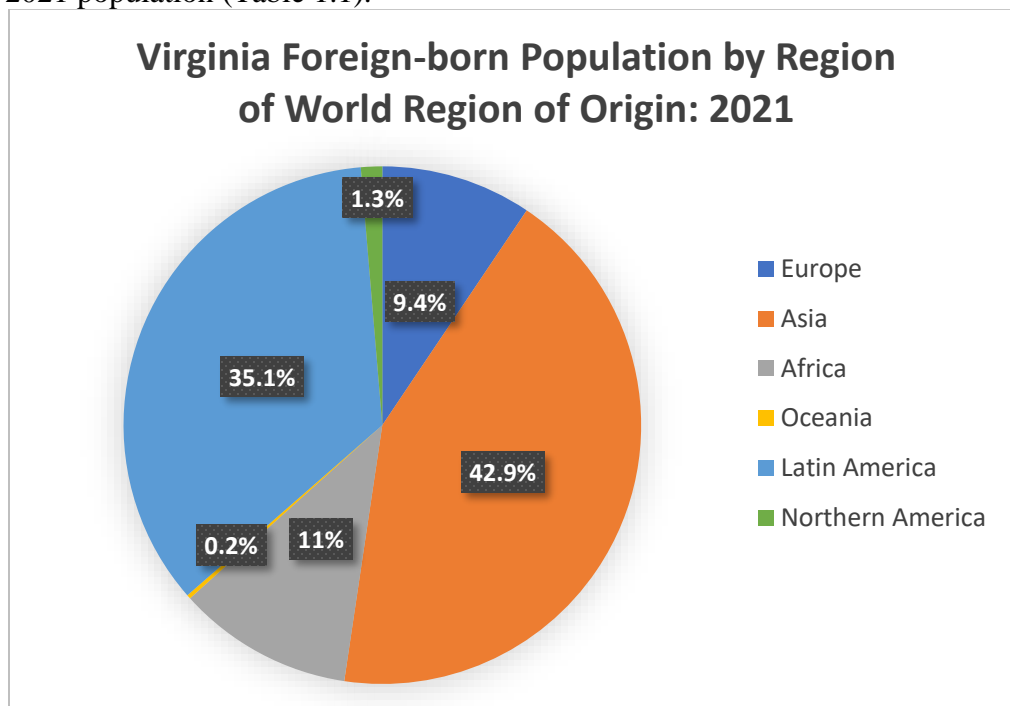
<b>Estimated Virginia Native and Foreign-born Population: 2021</b>		
	<i>Number of People</i>	<i>Percent of Total Population</i>
<b>Total population*</b>	8,582,479	--
<b>Native population</b>	7,505,560	87.45%
<b>Foreign-born population</b>	1,076,919	12.55%
<b>Foreign-born, naturalized U.S. citizen</b>	588,596	6.86%
<b>Foreign-born, not a U.S. citizen</b>	488,323	5.69%

Source: U.S. Census Bureau, ACS 5-year estimates (2021) – B05001

\*The American Community Survey and US Census Population Estimates Program each produce population estimates which may vary depending on methodology

**Table 1.11**

A more detailed breakdown of the foreign-born population in the Commonwealth is shown in Figure 1.3. It is important to note that the two largest portions of Virginia's foreign-born population are from Asia and Latin America (many of the foreign-born residents from Latin America are counted as Hispanic or Latino in regard to their ethnicity). As previously mentioned, Asians and Hispanics (both foreign-born and U.S. born) are two of the Commonwealth's fastest growing minorities with Asians and Hispanics constituting 6.7 and 9.8 percent respectively of the total 2021 population (Table 1.1).



Source: U.S. Census Bureau, ACS 5-year estimates (2021) – B05002

**Figure 1.3**

In addition to foreign-born population figures, the linguistic capabilities of Virginia's population can also have an impact on fair housing choice. One's ability to speak English is often readily apparent in housing transactions and can be an indicator, correctly or incorrectly, that an individual was raised outside of the U.S. or that their parents were raised outside of the U.S. Table 1.12 shows that while approximately 84 percent of Virginia's population over five years old speaks only English, nearly 16 percent of the population over five speaks a language other than English and nearly six percent of the population over five speaks English less than "very well." Of the population that speaks languages other than English, there are even larger percentages that speak English less than "very well."

<b>Estimated Virginia Population and Language Spoken: 2021</b>			
		<i>Percent of persons that speak a language other than English</i>	
		<i>Speak English "very well"</i>	<i>Speak English less than "very well"</i>
	<i>Total</i>		
<b>Total population 5 years and over</b>	8,080,985	--	--
<b>Speak only English</b>	6,750,624	--	--
<b>Speak a language other than English</b>	1,330,361	64.74%	35.26%
<b>Speak Spanish</b>	595,248	59.02%	40.98%
<b>Speak another Indo-European languages</b>	295,170	76.47%	23.53%
<b>Speak Asian and Pacific Island languages</b>	302,957	61.08%	38.92%
<b>Speak other languages</b>	136,986	72.45%	27.55%

Source: U.S. Census Bureau, ACS 5-year estimates (2021) – B16004

**Table 1.12**

It is important to reiterate that national origin as a protected class is not limited to a person's place of birth. It also includes an individual's ancestry and others' perceptions about a person's national origin. So, regardless of whether a person was born and raised in the United States they may still be subject to discrimination based on national origin.

### Elderliness

Enacted in 1972, the VFHL added *elderliness* as a protected class to supplement the requirements of the Federal Fair Housing Act. Elderliness refers to any individual who is fifty-five years of age or older. As Table 1.13 shows, Virginia's households represent a slightly younger population when compared to the national average. In addition, the Commonwealth is well below national figures regarding the percent of households with a member 55 or older in households that rent.

<b>U.S. and Virginia Householders Age 55 or Older: 2021</b>						
	<i>Total Units; Householder Age 55 or Older</i>		<i>Owner-Occupied; Householder Age 55 or Older</i>		<i>Renter-Occupied; Householder Age 55 or Older</i>	
	<i>Number</i>	<i>Percent of total HH</i>	<i>Number</i>	<i>Percent of total HH</i>	<i>Number</i>	<i>Percent of total HH</i>
<b>Virginia</b>	1,458,340	44.9%	1,158,143	35.7%	300,197	9.2%
<b>U.S.</b>	56,825,094	45.8%	43,734,972	35.3%	13,090,122	10.6%

Source: U.S. Census Bureau, ACS 5-year estimates (2021) – B25007

**Table 1.13**

While current household numbers reflect a slightly younger population than the nation as a whole, Virginia's older population is expected to grow rapidly in coming years. An estimate from the Demographics Research Group of UVA projects that from 2010 to 2030, Virginia's population (not households) 65 and older will grow from just under one million to 1.8 million; this growth is already occurring (or will in the near future) in rural areas with urban areas expected to follow.<sup>20</sup>

### Source of Funds

A 2020 amendment to the VFHL established *source of funds* as a protected class. This legislation prohibits discrimination because of any source that lawfully provides funds to or on behalf of a renter or buyer of housing, including any assistance, benefit, or subsidy program, whether such program is administered by a governmental or nongovernmental entity. As such, housing providers are required to treat all tenants, applicants, prospective purchasers, and clients equally, regardless of their source of income. Of note, housing providers may not justify a refusal to rent

20 Demographics Research Group of UVA: Stat Chat: What is the biggest demographic trend in Virginia? <http://statchatva.org/2017/12/28/what-is-the-biggest-demographic-trend-in-virginia/> (January 21, 2018).

to Housing Choice Voucher (HCV) holders based on “administrative burdens” pertaining to compliance with these programs.

It is not unlawful for a seller to consider financial terms and conditions from prospective purchasers, nor is it unlawful for housing providers to request and verify income on an application for tenancy. However, income qualifying criteria must be applied fairly for all sources of income.

### Sexual Orientation

The Commonwealth recently prohibited housing providers from discriminating against prospective purchasers or renters on the basis of *sexual orientation*, which describes a person’s actual or perceived heterosexuality, bisexuality, or homosexuality. This includes discrimination because of someone’s physical appearance, current partner, mannerisms, or any self-identifying symbols or flags which may be interpreted to convey sexual orientation. For example, a senior housing community may not refuse to accept same-gender spouses as tenants.

It is difficult to estimate the size of Virginia’s LGBTQ+ population, as demographic data historically under-collected and remains limited for queer people. Nevertheless, the Household Pulse Survey, an experimental dataset from the Census Bureau, approximates that 7.2 percent of adults in Virginia identify as LGBT. Of note, this figure does not distinguish between sexual orientation and gender identity, which poses challenges in assessing the relative prevalence of housing discrimination on the basis of sexual orientation and gender identity. Given improving demographic research and changing social climate, it is plausible that proportion of Virginians identifying as LGBTQ+ will increase over the next five years. In this case, the number of fair housing complaints alleging discrimination based on sexual orientation and gender identity is likely to increase. This presents an opportunity for the Commonwealth to be proactive in ensuring access to fair housing choice for its newest protected classes.

### Gender Identity

*Gender identity* refers to the gender-related identity, appearance, or other gender-related characteristics of an individual, with or without regard to the individual's designated sex at birth. This includes someone’s gender non-conforming appearance, legal identification not matching their preferred gender, or any self-identifying symbols, flags, or pronouns. The 2020 VFHL Amendment established *gender identity* as a protected class in 2020 to prohibit housing discrimination against transgender and non-binary individuals. For instance, a landlord who begins charging different fees or making rules and conditions for a transgender tenant after they transition would be violating VFHL.

### Military Status

In 2020, Virginia added “status as a veteran” to the list of protected categories under the Virginia Fair Housing Act. In 2021, this was updated to *military status* in order to create a broader protection for servicemembers. *Military status* refers to an individual’s status as a member the U.S. uniformed services, a veteran, or a dependent of a service member. Notably, veteran status

is only applicable to former servicemembers released or discharged under conditions other than dishonorable. An example of discrimination according to military status includes refusing to rent to someone in the reserves because the landlord is worried the tenant will be deployed.

Housing discrimination based on *military status* has significant potential to intersect with *disability*-based discrimination, as veterans are disproportionately afflicted with physical and psychological disabilities. Under both provisions, it is unlawful for a housing provider to refusing reasonable accommodations for veterans with Post Traumatic Stress Disorder. Similarly, members of this protected class may be subject to *source of funds* discrimination if they receive a HUD-VASH voucher. With 51 military bases, Virginia is home to over 156,000 active-duty and reserve servicemembers and another 660,000 veterans. The Commonwealth's large population of members of this protected class underscores the importance of ensuring this demographic has equitable access to housing.

### **Housing, Income, and Employment**

While housing, income and employment in the Commonwealth have been discussed in relation to specific protected classes, a general profile of these topics, as well as their relationship to transportation, is important to understand impediments to fair housing choice in the Commonwealth. Fair housing choice is not a simple issue and nearly every housing transaction involves issues related to the state's housing stock and an individual's or household's income and employment.

#### Housing Profile

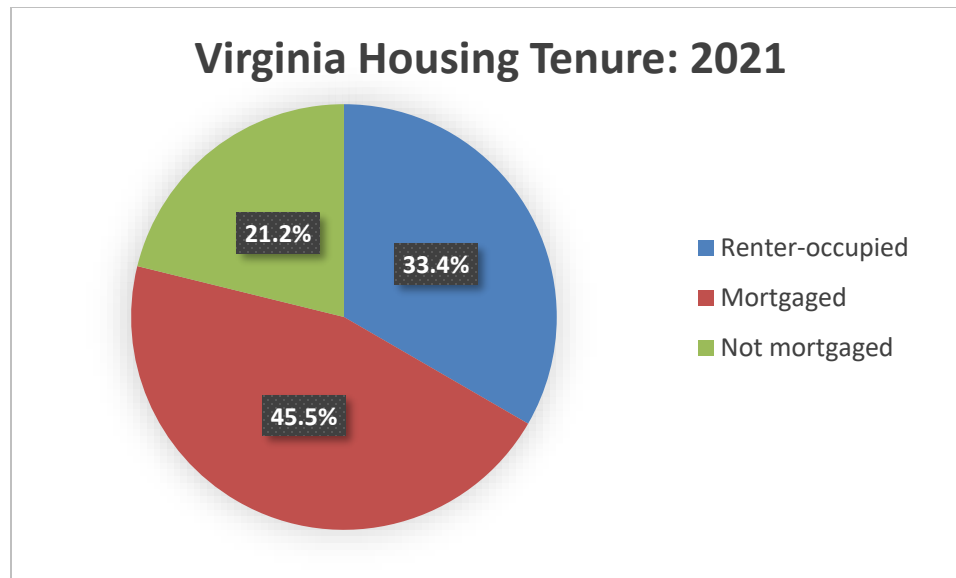
Some basic information regarding vacancy, tenure, foreclosure, age of housing, and affordability will provide a solid backing for an understanding of housing issues in Virginia. According to the 2021 American Community Survey, there were more than 3.5 million housing units in Virginia with just over 9 percent of units standing vacant.

<b>Virginia Housing Vacancy: 2021</b>		
	<i>Units</i>	<i>Percent of Units</i>
<b>Total housing units</b>	3,596,100	--
<b>Occupied housing units</b>	3,248,528	90.33%
<b>Vacant housing units</b>	347,572	9.67%

Source: U.S. Census Bureau, ACS 5 year estimates (2021) – B25002

**Table 1.14**

In 2021, there were over 3,000,000 occupied housing units in Virginia. Approximately two-thirds of occupied units were owner-occupied housing while rental housing accounted for the remaining third. Figure 1.5 displays housing tenure in Virginia. As a note, “not mortgaged” would typically represent housing owned without a mortgage and/or debt.



Source: U.S. Census Bureau, ACS 5 year estimates (2021) – B25003 & B25027

Figure 1.4

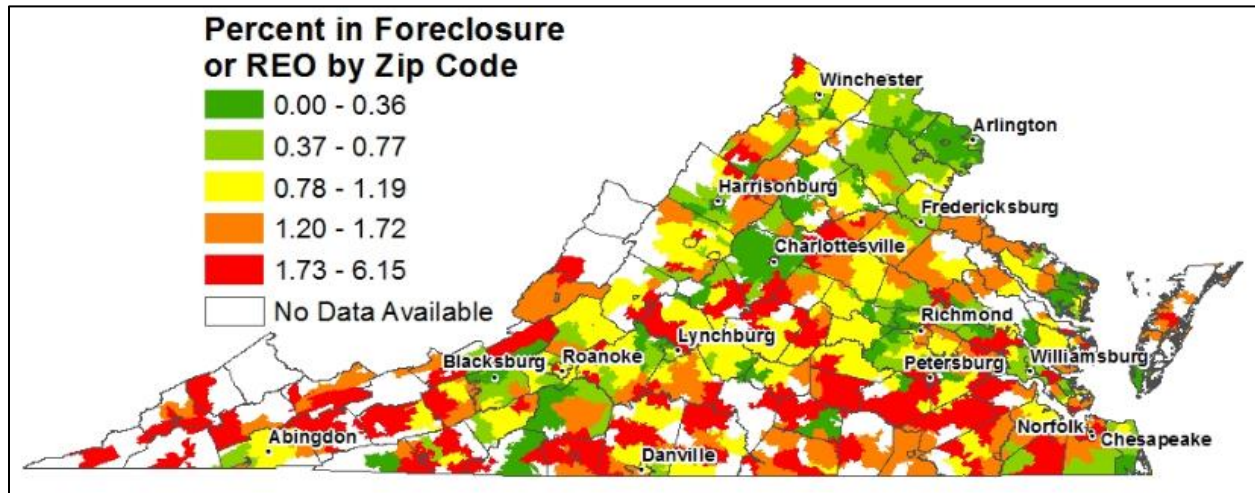
Though foreclosures have declined since the crash of the housing market in 2008 they are still a concern. Subprime mortgages were an especially important component of the housing crisis. Subprime mortgages are often issued to borrowers without adequate credit for a conventional mortgage. As such, the terms of their loan might include higher interest rates and significant fees and penalties. Subprime loans have been linked to predatory lending tactics where lenders issue high-cost loans to borrowers who cannot afford them.<sup>21</sup> Subprime mortgages and predatory lending are of particular note to fair housing choice because there is evidence at the national level that minority borrowers were targeted with subprime loans despite their potential eligibility for conventional mortgages.<sup>22</sup> This evidence is reinforced by the U.S Department of Justice’s \$335 million settlement with Countrywide Financial Corporation which between 2004 and 2008, “...discriminated by charging more than 200,000 African-American and Hispanic borrowers higher fees and interest rates than non-Hispanic white borrowers in both its retail and wholesale lending.”<sup>23</sup> Figure 1.5 and Figure 1.6 show the percent of mortgages in foreclosure for all loans and for subprime loans across the Commonwealth. It is difficult to draw regional or statewide conclusions from Figures 1.5 and 1.6 as any patterns appear to be highly localized.

<sup>21</sup> Schwartz, 234-235

<sup>22</sup> Jacob S. Rugh, Douglas S. Massey, “Racial Segregation and the American Foreclosure Crisis,” *American Sociological Review* 75 (October 2010) 629 – 651.

<sup>23</sup> U.S. DOJ: Justice Department Reaches \$335 Million Settlement to Resolve Allegations of Lending Discrimination by Countrywide Financial Corporation, <http://www.justice.gov/opa/pr/2011/December/11-ag-1694.html> (March 21, 2012).

### Percentage of Owner-Occupied Loans in Foreclosure or REO\*: 1<sup>st</sup> Quarter 2017\*\*



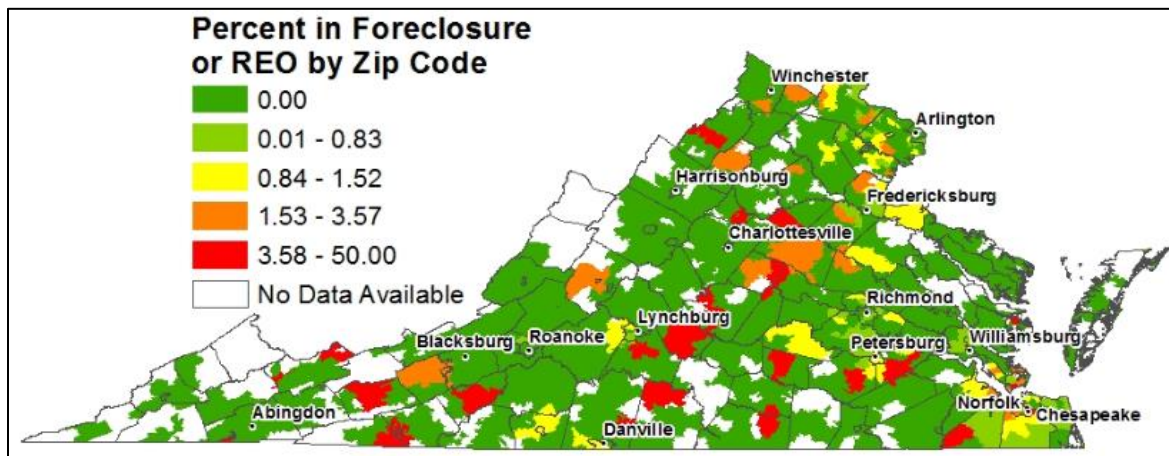
Source: Federal Reserve Bank of Richmond/McDash Analytics (March 2017) as presented in, The Federal Reserve Bank of Richmond, "Housing Market and Mortgage Performance in Virginia," (1st Qtr. 2017).

Figure 1.5

\*Real Estate Owned (REO) properties are in the possession of the lender because of foreclosure or forfeiture

\*\* Latest available data – maps will be amended as updated research is published.

### Percentage of Owner-Occupied Subprime Loans in Foreclosure or REO\*: 1<sup>st</sup> Quarter 2017\*\*



Source: Federal Reserve Bank of Richmond/McDash Analytics (March 2017) as presented in, The Federal Reserve Bank of Richmond, "Housing Market and Mortgage Performance in Virginia," (1st Qtr. 2017).

Figure 1.6

\*Real Estate Owned (REO) properties are in the possession of the lender because of foreclosure or forfeiture

\*\* Latest available data – maps will be amended as updated research is published.

The housing stock in Virginia is evenly distributed between older and newer housing with most of the housing built between 1970 and 2009. Older housing is of particular concern to fair housing choice as it is more likely to not be accessible for persons with disabilities and may contain lead paint, a serious hazard to families with young children. Table 1.15 breaks down the age of housing in Virginia in detail.



<b>Estimated Virginia Housing by Year Built: 2021</b>		
<i>Year Built</i>	<i>Units</i>	<i>Percent of Total Units</i>
<b>Built 2020 or later</b>	5,309	0.15%
<b>Built 2010 to 2019</b>	285,998	7.95%
<b>Built 2000 to 2009</b>	530,432	14.75%
<b>Built 1990 to 1999</b>	555,497	15.45%
<b>Built 1980 to 1989</b>	581,755	16.18%
<b>Built 1970 to 1979</b>	545,053	15.16%
<b>Built 1960 to 1969</b>	375,125	10.43%
<b>Built 1950 to 1959</b>	303,443	8.44%
<b>Built 1940 to 1949</b>	155,016	4.31%
<b>Built 1939 or earlier</b>	258,472	7.19%

Source: U.S. Census, American Community Survey (5-year estimates)

**Table 1.15**

An important factor linked to fair housing choice is the issue of affordability. When a household spends more than 30 percent of its income on housing it is generally considered “cost-burdened”.<sup>24</sup> Though income and housing cost burden do not designate one as a member of a protected class, housing affordability can severely limit housing choice and cause extra strain for an individual already experiencing discrimination in the housing market. As shown in Figure 1.7 and Figure 1.8, showing data for rental units and owner-occupied housing units with mortgages, a significant number of households in Virginia are cost-burdened. In rental housing, almost 45 percent of households pay 30 percent or more of their incomes in rent and in owner-occupied housing, about 30 percent of households pay 30 percent or more of their income in housing costs. A study prepared by the Joint Center for Housing Studies of Harvard University further breaks down housing cost burden by race/ethnicity and age, noting percentage of renters that are moderately (30%-50% income) and severely (50%+) cost burdened.<sup>25</sup> One will note in table 1.16 and 1.17 that renters who are black, Hispanic, or 65 years and older experience relatively higher rates of housing cost burden.

<sup>24</sup> Schwartz, 23.

<sup>25</sup> Joint Center for Housing Studies of Harvard University, “America’s Rental Housing 2017,” <http://www.jchs.harvard.edu/americas-rental-housing> (April 18, 2019).



### Share of Virginia Renters with Cost Burden by Race

Race	Number of Renters	Percent Cost Burdened	Percent Severely Cost Burdened
<i>White</i>	567,855	37.61%	17.65%
<i>Black/African American</i>	302,170	49.54%	24.34%
<i>Hispanic/Latino</i>	104,000	51.25%	24.87%
<i>Asian &amp; Native Hawaiian/Pacific Islander</i>	55,425	36.00%	17.63%
<i>American Indian/Alaska Native</i>	2,560	48.24%	25.78%
<i>Other (includes multiple races, non-Hispanic)</i>	31,330	45.37%	21.93%
<b>Total</b>	<b>1,063,340</b>	<b>42.51%</b>	<b>20.40%</b>

Source: U.S. Census Comprehensive Housing Affordability Strategy 2015-2019 (Table 9)

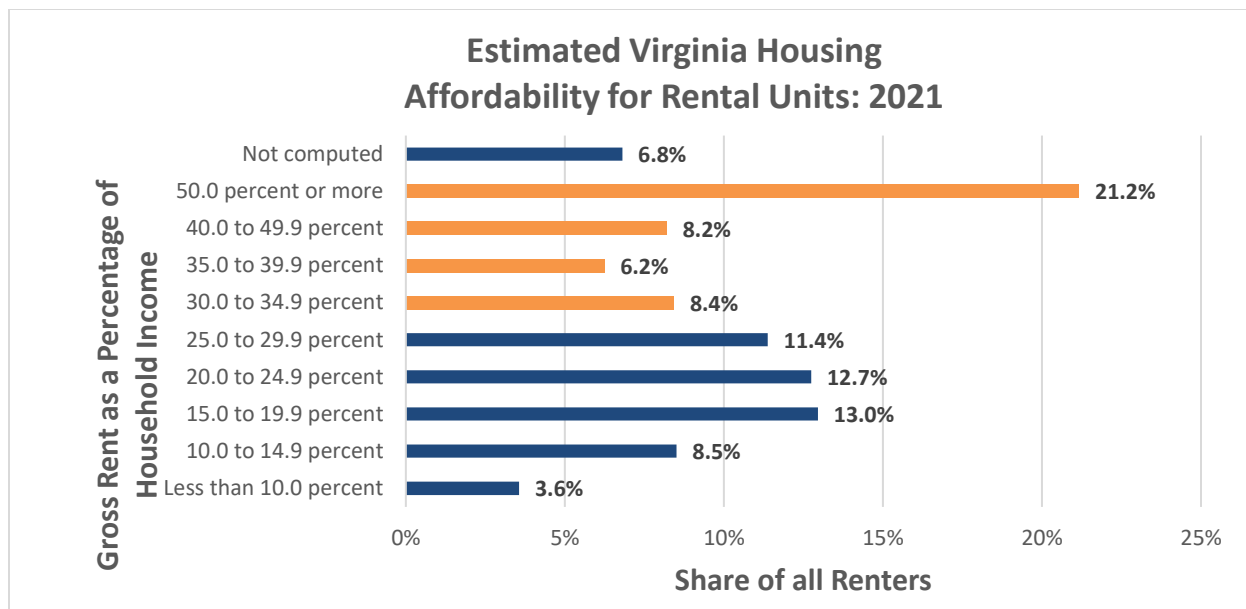
Table 1.16

### Share of Virginia Renters with Cost Burden by Age

Age Group	Number of Renters	Share of Renters	Share of Cost Burdened Renters
<i>15 to 24 years</i>	95,151	8.8%	11.2%
<i>25 to 34 years</i>	293,249	27.1%	24.9%
<i>35 to 64 years</i>	538,987	49.7%	46.7%
<i>65 years and over</i>	156,174	14.4%	17.2%
<b>Total</b>	<b>1,083,561</b>	<b>100%</b>	<b>100%</b>

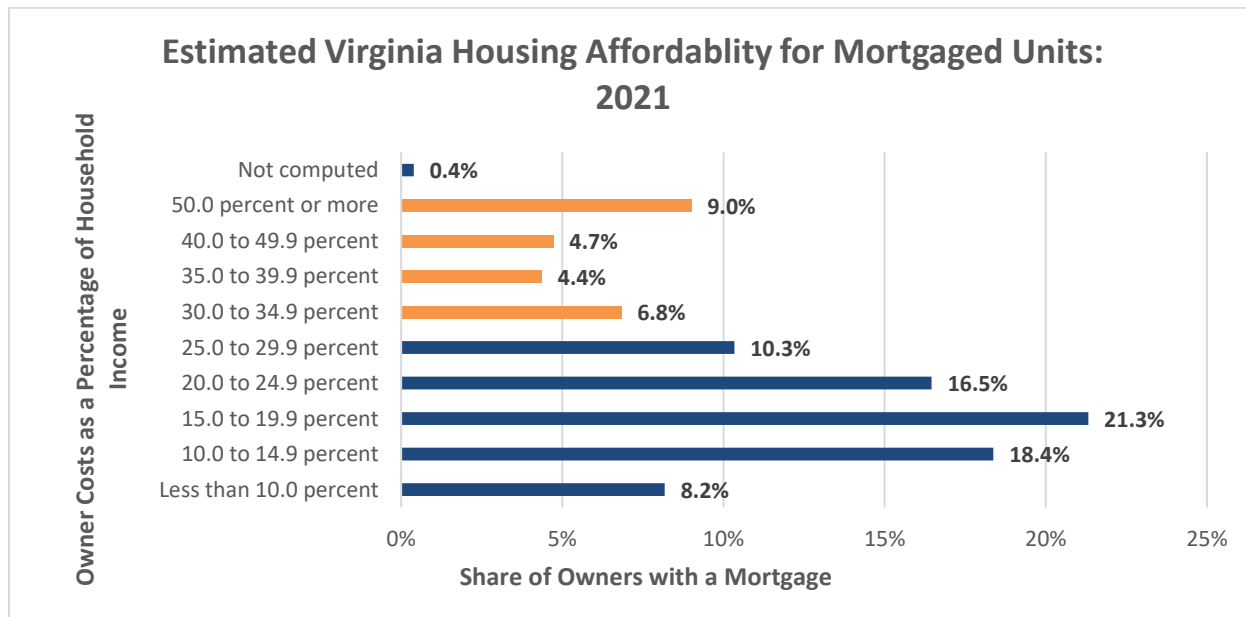
Source: U.S. Census Bureau, ACS 5-year estimates (2021) – B25072

Table 1.17



Source: U.S. Census Bureau, ACS 5-year estimates (2021) – B25070

Figure 1.7



Source: U.S. Census Bureau, ACS 5-year estimates (2021) – B25091

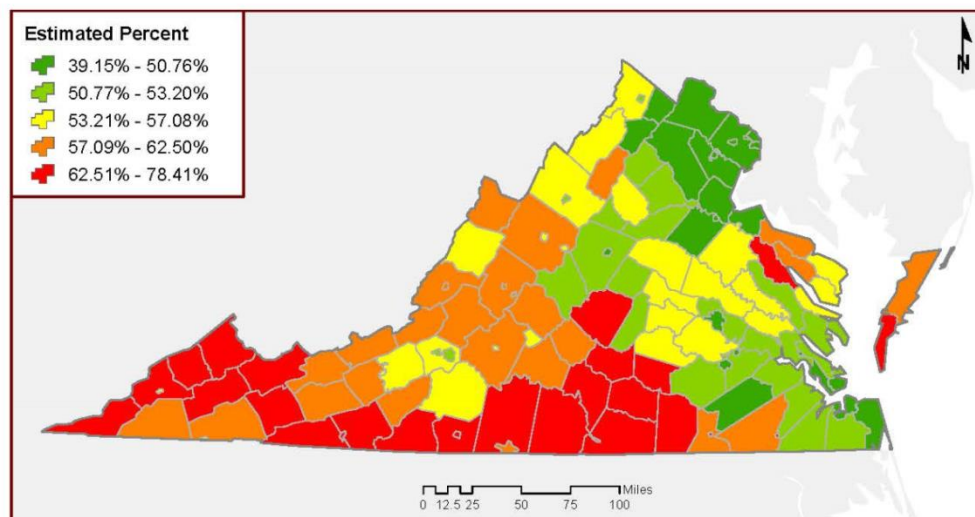
Figure 1.8

A final and key component of housing in Virginia is the availability of affordable housing. According to a report commissioned by the Housing Policy Advisory Council (HPAC), “Virginia has a shortage of housing affordable to a substantial share of households.” The report indicates that “crowding out,” contributes to the shortage of affordable housing as households purchase or rent at levels below their means, effectively shrinking the pool of affordable housing

for those households at lower income levels.<sup>26</sup> Though not the case for every Metropolitan Statistical Area (MSA) the study examined, a majority of MSA's in Virginia lack affordable rentals units for households making at or below 30 percent of the Area Median Income (AMI). When these households are unable to obtain assistance this can create extreme financial hardship or very challenging living conditions or both. Again, a person's income or ability to afford housing does not put them in a protected class; however, paired with other discrimination these factors can severely limit an individual's or household's ability to find quality housing.

Also included in the HPAC study was an analysis of the linkage between transportation and housing. Again, this is not something which can be directly attributed as a fair housing issue but for individuals or groups who may already be experiencing discrimination in the housing market, transportation barriers can exacerbate the ability to find quality housing. As noted in Figures 1.9 & 1.10, household and transportation costs account for a large portion of many households' incomes. This is an issue across the state but is particularly acute in rural areas, with the upper end of these combined costs nearing 80 percent of a household's expenditures. Figure 1.10 shows this trend proliferating in rural areas with a dichotomy in some urban areas; showing examples of both the highest and lowest housing and transportation costs occurring in different census tracts in the same cities. However, this data is not recent enough to reflect statewide changes in such expenditures following the pivot to remote work prompted by the COVID-19 pandemic. These geographic trends likely hold at lower levels, given the tendency for rural households to be employed in sectors which are not compatible with telework.

#### **Estimated percent of total H+T household expenditure for median-income families<sup>27</sup>**



Source: Virginia Coalition of Housing and Economic Development Researchers, 2017\*

**Figure 1.9**

\* Latest available data – maps will be amended as updated research is published

<sup>26</sup> Virginia Coalition of Housing and Economic Development Researchers for the Virginia Housing Policy Advisory Council, 31.

<sup>27</sup> Virginia Coalition of Housing and Economic Development Researchers for the Virginia Housing Policy Advisory Council, "Addressing the Impact of Housing for Virginia's Economy: Appendix Report 4: Transportation, Housing Affordability, and Economic Development in the Commonwealth," (November 2017) 23.

## Income

While it may go without saying, the income profile of Virginia's residents directly affects the availability of housing choice. Income level limits the quality and range of housing one can access. At \$66,305, Virginia ranks thirteenth among all states in per capita personal income as of 2016. Among its peers, Virginia's per capita income was lower than Maryland but higher than North Carolina. The highest 2021 per capita income was in Connecticut at \$83,294.<sup>28</sup> Figure 1.11 provides a state-level comparison of per capita income.

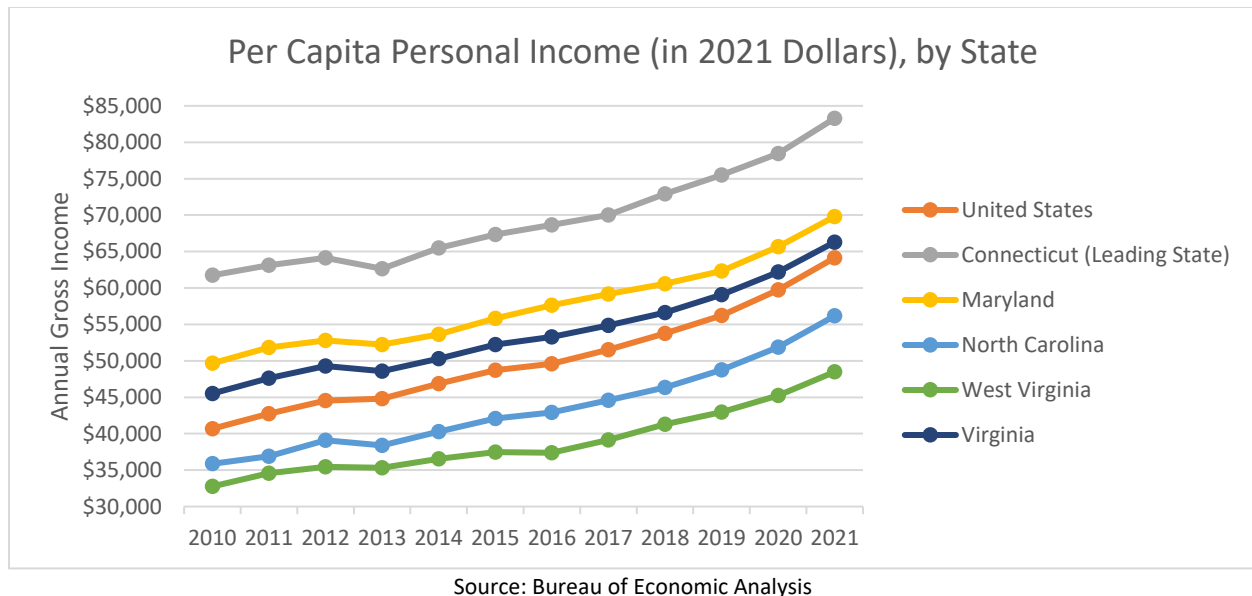
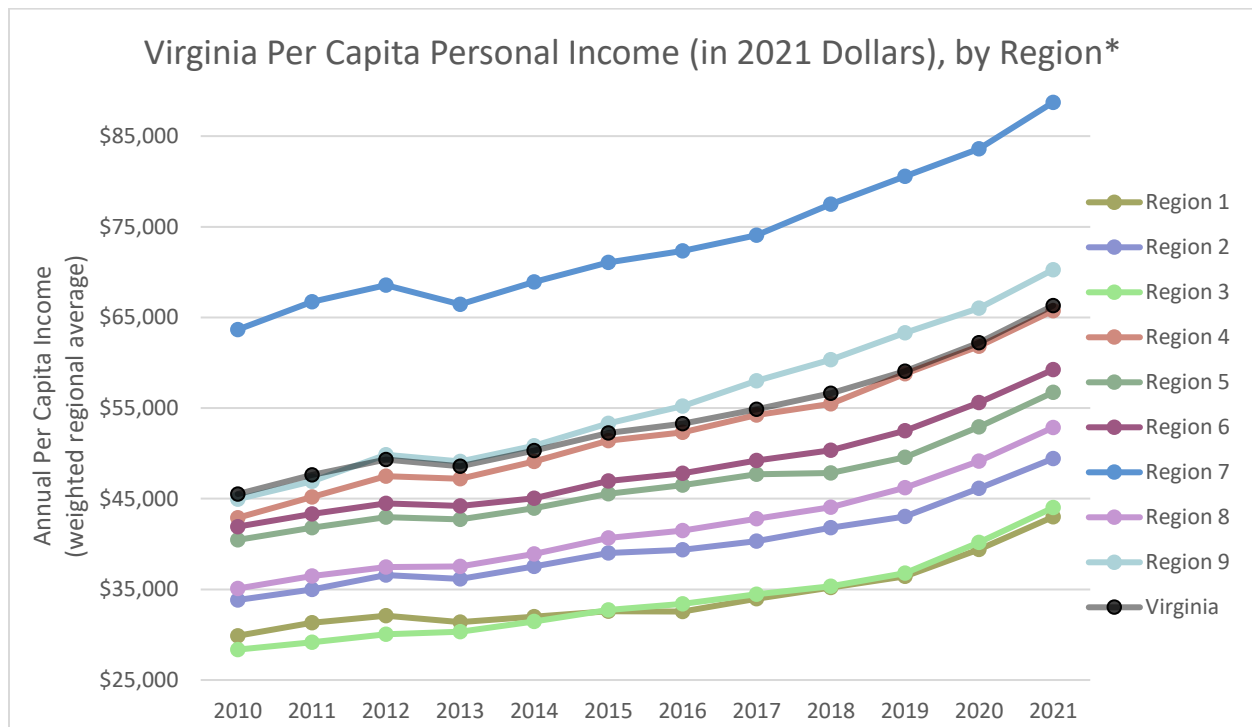


Figure 1.11

In 2021, localities in Northern Virginia had the highest per capita income, at \$88,729.13 for Region 7 and \$70,267.81 for Region 9. At the other end of the spectrum, Southwest Virginia (Region 1) and the Southside (Region 3) regions had the lowest per capita income at \$42,999.25 and \$49,424.40, respectively. Figure 1.12 displays regional per capita income in Virginia.

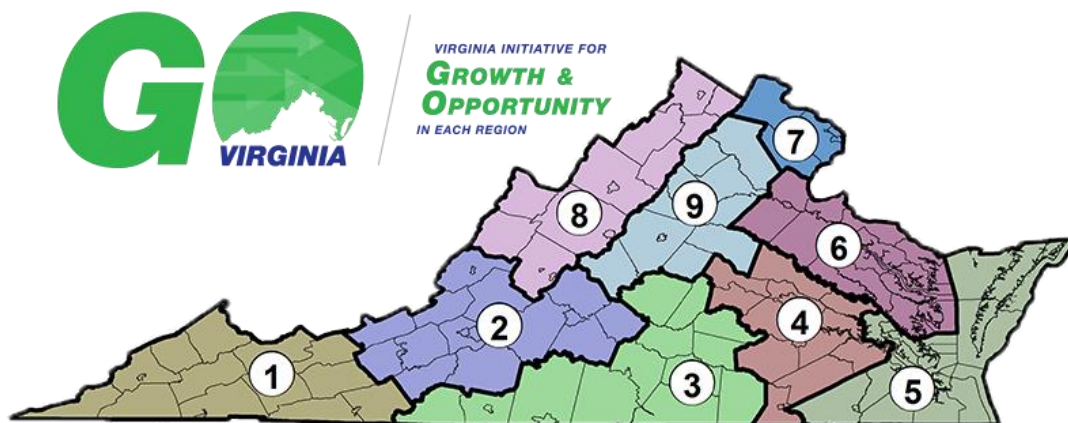
<sup>28</sup> Virginia Performs: Personal Income, <http://vaperforms.virginia.gov/indicators/economy/personalIncome.php> (October 18, 2017). As a note, the income measures in this section differ from other sections as they are per capita income (personal income divided by population) and not median income.



Source: Bureau of Economic Analysis Regional Data – CAINC1

Figure 1.12

\*Regional estimates are calculated as averages of county-level data weighted according to each locality's share of the 2021 population count for its GO Virginia Region



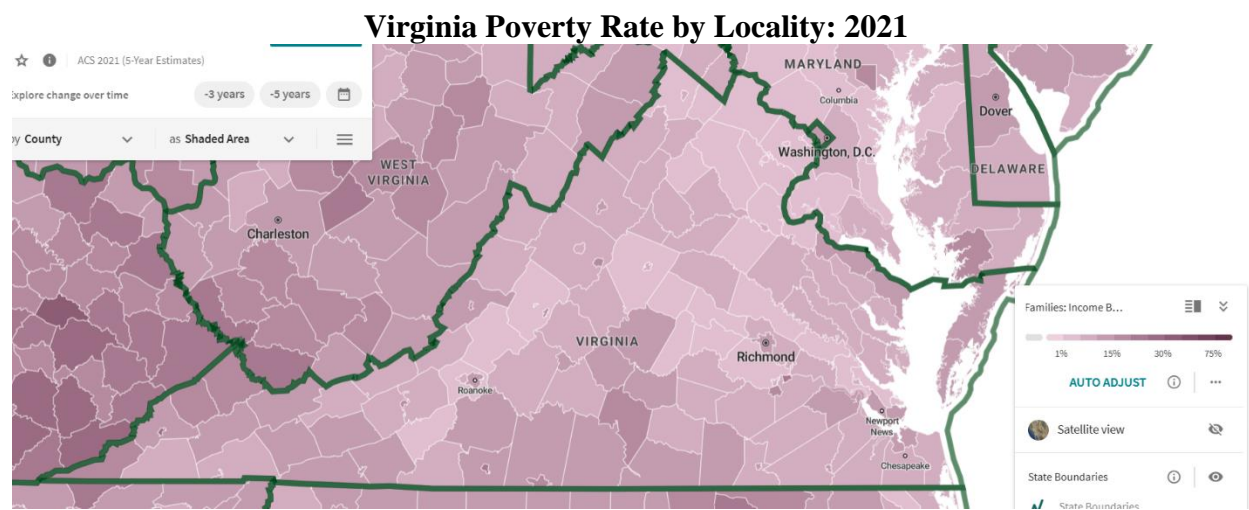
Source: GO Virginia Foundation (2022)

Figure 1.XX

Between 2010 and 2021, Virginia's per capita income grew at an average annual rate of 3.5 percent, below the national growth level of 4.24 percent.<sup>29</sup>

Although overall income in Virginia is above the national average, income inequality is still a concern. One way to measure inequality is the Gini index. The Gini index is a summary measure of income inequality. It varies from 0 to 1, zero indicating perfect equality where there is a proportional distribution of income. A 1 indicates perfect inequality where one household has all the income and others do not have any. In the United States, the 2021 Gini index is estimated at 0.482. Virginia's Gini index is .470 for 2021, beneath the national average.<sup>30</sup>

As noted elsewhere in this report, poverty is a significant concern among the protected classes, limiting their housing options. In looking at poverty distribution statewide, Figure 1.13 demonstrates a higher relative poverty in counties in Southside and Southwest Virginia, mirroring regional income data. Though not readily apparent in Figure 1.13, anecdotal data from Northern Virginia and Richmond suggests that urban (and some suburban) areas within Virginia would reflect marked contrasts of poverty and income within the same localities.<sup>31 32</sup>



Though Virginia's income and income equality fare well nationally, income, income equality, and poverty are still areas for concern, especially on a regional and local basis.

### Employment Profile

An individual's employment status is intimately related to housing and income. Employment status and income can severely limit access to the location and quality of housing. Conversely, where a person lives can have a definite impact on their ability to access employment

<sup>29</sup> US Bureau of Economic Analysis, November 16, 2022

<sup>30</sup> US Census Bureau, 2021 ACS 5-Year Estimates, B19083

<sup>31</sup> The Center on Society and Health with the support of the Northern Virginia Health Foundation, "Getting Ahead: The Uneven Opportunity Landscape in Northern Virginia," (November 2017) 2.

<sup>32</sup> John V. Moeser, Bonner Center for Civic Engagement, "Poverty in Richmond, Virginia," (2015).

opportunities. In 2015, Virginia’s estimated population over 16 (of working age) was about 6.6 million people. Of the working age population, about 60 percent was in the labor force. Of those employed in the civilian labor force (military excluded), educational and healthcare services and social assistance as well as professional, scientific, management, and administrative and waste management services earned the largest share of the employed labor force. Table 1.18 gives a detailed account of Virginia’s labor force by industry.

<b>Estimated Virginia Employment by Industry: 2021</b>	
<b>Educational services, and health care and social assistance</b>	<b>22.2%</b>
<b>Professional, scientific, management, administrative and waste management services</b>	<b>16.2%</b>
<b>Retail trade</b>	<b>9.9%</b>
<b>Public Administration</b>	<b>8.9%</b>
<b>Arts, entertainment, and recreation, and accommodation and food services</b>	<b>8.5%</b>
<b>Manufacturing</b>	<b>7.0%</b>
<b>Construction</b>	<b>6.5%</b>
<b>Finance and insurance, and real estate and rental and leasing</b>	<b>6.4%</b>
<b>Other services, except public administration</b>	<b>5.2%</b>
<b>Transportation and warehousing, and utilities</b>	<b>4.7%</b>
<b>Information</b>	<b>1.8%</b>
<b>Wholesale trade</b>	<b>1.7%</b>
<b>Agriculture, forestry, fishing and hunting, and mining</b>	<b>0.8%</b>

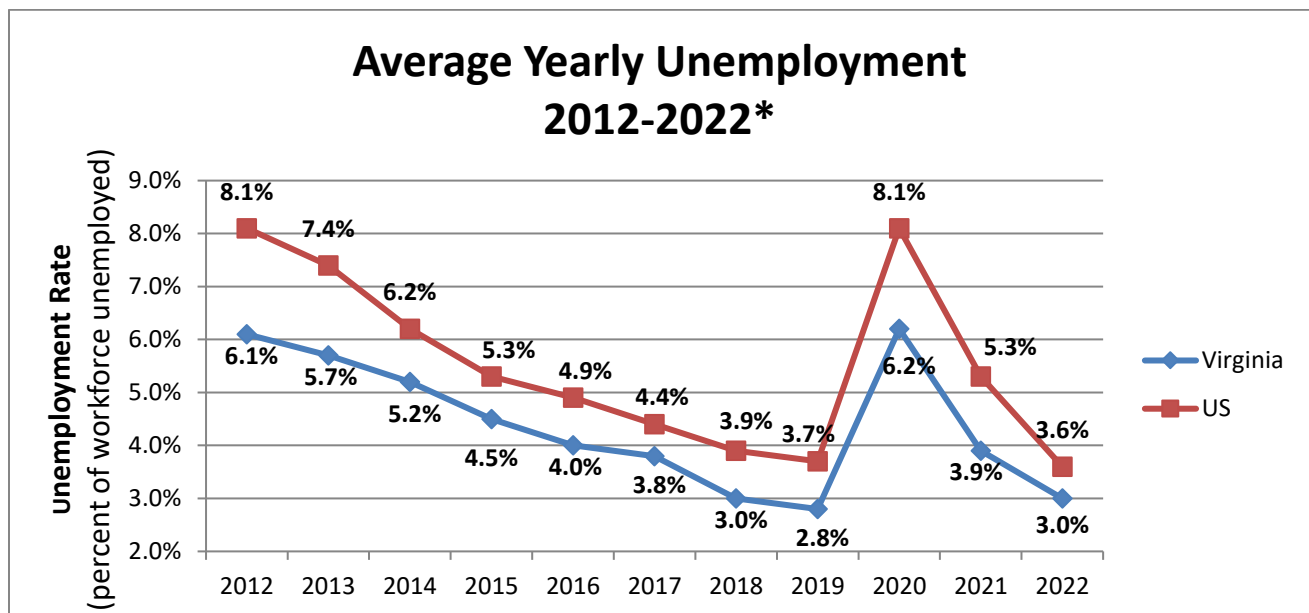
Source: U.S. Census Bureau, ACS 5-year estimates (2021) – C24050

**Table 1.18**

Though the unemployment picture has improved nationally and at the state level, it remains a concern nonetheless. As shown in Figure 1.14, Virginia has consistently fared better than the nation as a whole when it comes to unemployment, though the gap is narrowing. As of December 2022, Virginia ranked 15<sup>th</sup> among states with the lowest unemployment rate; however, as of February 2023, the Commonwealth ranks 23<sup>rd</sup> in this measure.<sup>33</sup> This is likely attributable to the decreasing nationwide unemployment rates, which yield less variance between states and consequently, more dynamic rankings.

<sup>33</sup> Bureau of Labor Statistics: Local Area Unemployment Statistics, Unemployment Rates for States, <http://www.bls.gov/web/laus/laumstrk.htm> (February 2023).





Source: Bureau of Labor Statistics (BLS)  
\*2022 average is through December 2022 estimate

Figure 1.14

Another key factor in employment, directly linked to housing, is the ability of people to access employment opportunities. Higher housing costs in and around local concentrations of employment opportunities often encourage residency patterns further away from the employment centers for lower wage workers as households seek affordable housing. As seen in Table 1.19, the majority of workers in Virginia drive to work with fewer than nine percent of workers using public transit, walking, or using other means of transportation to get to work. The data cannot be used to extrapolate why workers choose a certain form of transit but it is clear that in Virginia, workers overwhelmingly drive to work.

Estimated Virginia Mode of Travel to Work: 2021	
Drove alone	3,104,957
Drove in a carpool	361,259
Public transportation (excluding taxicab):	146,755
Taxicab	102,93
Motorcycle	5,301
Bicycle	14,445
Walked	95,270
Other means	42,476
Worked at home	487,223
Average Travel Time to Work	28.2 minutes

Source: U.S. Census Bureau, ACS 5-year estimates (2021) – B08126 & B08303



Table 1.19

While one cannot draw a statistical link between mode of transportation and information presented on housing and transportation costs, it is logical to consider that auto-based costs are responsible for a significant amount of the transportation costs considered in Figures 1.9 and 1.10. Further, it should be noted that specific members of protected classes are disproportionately represented in the lower income levels making access to personal vehicles more difficult or in the case of a loss of access, a significant challenge to find other transportation convenient to housing and viable transportation. In addition to increased employment opportunities, varied transit options and well-located affordable housing are critical to fair housing choice.

### Fair Housing Complaint Data

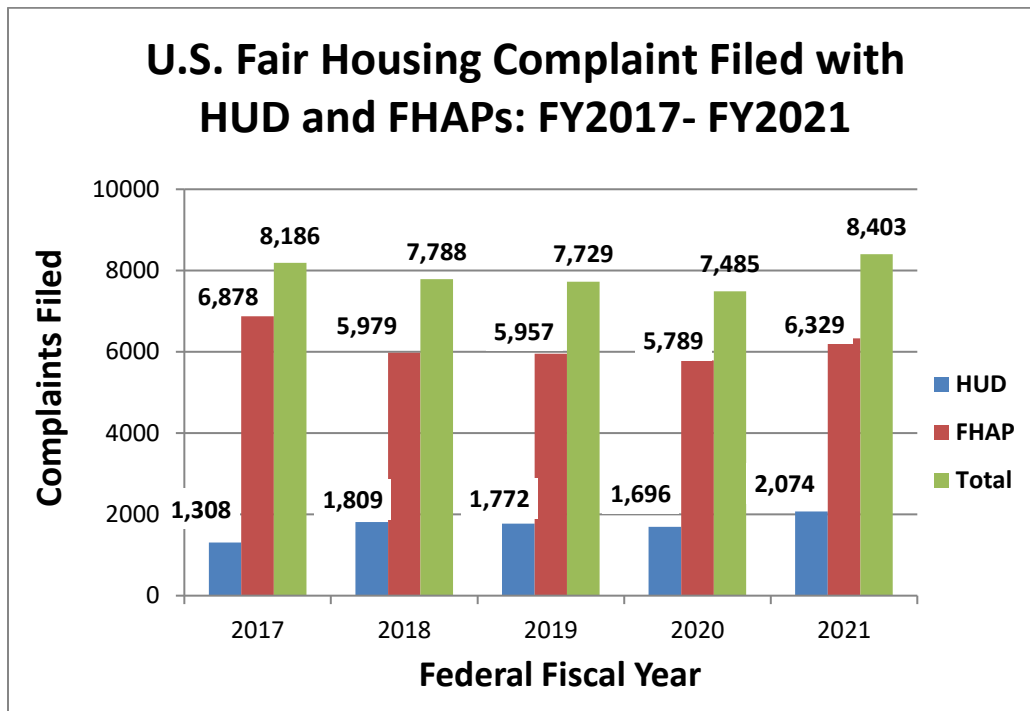
Fair housing law has specific enforcement methods used to carry out its mandates. The enforcement process associated with fair housing law is initiated when an individual or group files a fair housing complaint. In Virginia, a complaint of discrimination in the housing market can be filed based on *race, color, religion, sex, disability, familial status, national origin, elderliness, source of funds, sexual orientation, gender identity, military status* and *retaliation*. *Retaliation* occurs when a property manager, landlord, realtor, etc. takes punitive measures against a person that has filed a fair housing complaint against them or their company. It is important to note that while Virginia law includes *elderliness* as a protected class, it is not covered under federal law and complaints of discrimination because of *elderliness* cannot be filed at the federal level. There is a more detailed discussion of the complaint process, possible outcomes of complaints, and the agencies that investigate and resolve complaints in the section of this report titled, *Enforcing Fair Housing: The Complaint Process*.

HUD, the Virginia Fair Housing Office, and a number of agencies certified under the HUD Fair Housing Assistance Program (FHAP) track the number and type of fair housing complaints they receive each year and how these complaints are resolved. Fair housing complaint data reveals which types of discrimination might be most prevalent in the housing market. There are two important things to note when analyzing fair housing complaint data. First, complaints of fair housing are often multi-faceted. For example, one individual could experience discrimination based on their gender, race, and color all in the same housing transaction. Generally, this one housing transaction would be counted as three instances of discrimination. Second, discrimination in the housing market may often go unnoticed or unreported. As survey data suggests, even those who are aware that they have been a victim of discrimination are unlikely to file a complaint. This lack of efficacy occurs for any number of reasons, including not knowing the proper channels to file a complaint, fear of retaliation, or simply believing that filing a complaint is not worth the effort.<sup>34</sup>

On the national level, the number of fair housing complaints has been static from 2017 to 2021 with approximately 7,500 to 8,500 complaints filed each year. In Figure 1.15, one can see how national complaints are divided between those filed directly with HUD and those filed locally with FHAP agencies.

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<sup>34</sup> Martin D. Abravanel, Mary K. Cunningham, Urban Institute, "How Much Do We Know? Public Awareness of the Nation's Fair Housing Laws," (2002).



Source: HUD FHEO Annual Reports FY2017- FY2021

Figure 1.15

In addition to counting the number of fair housing complaints they receive each year, HUD and local enforcement agencies also tabulate complaints by the basis of each complaint. Again, one housing transaction may count as multiple complaints due to discrimination on multiple bases. Table 1.20 shows fair housing complaints by protected class in Virginia over the past four fiscal years as counted by the aggregated information of all counties and cities in the state. Complaints of discrimination because of race and disability make up the most significant portion of all complaints.

Virginia Fair Housing Offenses by Protected Class: FY2017-FY2021 Aggregated County/City Dockets									
Year	Race	Religion	Sex	Disability	Familial Status	National Origin	Elderliness	Other*	FY Total
FY 2017	50	9	19	77	22	10	23	0	210
FY 2018	67	32	32	93	36	29	29	0	318
FY 2019	93	37	37	133	43	26	21	12	402
FY 2020	68	28	28	142	29	16	13	0	324
FY 2021	101	12	31	113	25	19	15	31	347
5 Year Subtotal	379	118	147	558	155	100	101	43	1601

Source: Virginia Fair Housing Office

Table 1.20

\*Other offenses include those on the basis of military status, source of funds, gender identity, and sexual orientation

Another important facet of complaint data is the overall outcome. Just over 40 percent of cases from 2017-2021 were closed administratively. About six percent of cases from 2017-2021 were resolved by conciliation, which means that the issue was resolved before a determination of discrimination could be made. The Board issued a charge or a violation occurred in fewer than three percent of total cases for the same time period. Table 1.21 provides a more complete picture of the outcomes of complaints filed in Virginia from 2017 to 2021.

<b>Virginia Fair Housing Closed Case Outcomes: FY2017 - FY2021</b>						
<b>Outcome</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>5 Year Subtotal</b>
Board Issued Charge	0.0%	1.0%	0.7%	0.0%	0.0%	0.4%
Closed Administrative	29.7%	46.0%	43.5%	41.4%	45.7%	41.2%
Complaint Withdrawn	3.1%	1.0%	1.5%	3.2%	3.7%	2.5%
Conciliation	8.9%	6.6%	7.0%	3.6%	1.1%	5.6%
HUD Reactivation	1.0%	1.0%	0.7%	0.9%	2.7%	1.2%
No Jurisdiction	30.7%	25.8%	15.9%	21.4%	10.6%	20.7%
No Violation	1.6%	0.5%	0.4%	0.5%	1.1%	0.7%
No reasonable cause found	16.1%	13.1%	20.7%	20.0%	31.4%	20.1%
Unable to locate complainant	1.0%	1.5%	0.7%	0.5%	1.1%	0.9%
Private Settlement	0.0%	0.0%	0.4%	0.0%	0.0%	0.1%
Uncooperative complainant	4.2%	2.0%	7.0%	6.4%	2.1%	4.6%
Violation	3.6%	1.5%	1.5%	2.3%	0.5%	1.9%

Source: Virginia Fair Housing Office

**Table 1.21**

Although it is difficult to draw conclusions about discrimination in the housing market from complaint data alone, a few items stand out. First, in Virginia, race and disability are by far the most common category of complaint but familial status, sex and national origin also garner sizable numbers of complaints. In addition, though the data shows that many complaints do not result in a charge, there are nonetheless, legitimate claims of discrimination in Virginia and some of these complaints move to the state and federal level for resolution. Finally, it is important to note that many instances of discrimination in the housing market go unreported and there is likely a lack of knowledge among consumers about their fair housing rights.

## **Impediments to Fair Housing Choice**

### **State and Local Barriers to Fair Housing Choice**

Historically, building regulations, zoning, and other ordinances have been targeted as possible barriers to fair housing choice at the state and local levels. Of particular interest to fair housing

choice is the manner in which building codes affect accessibility for people with disabilities. Building regulations carried out through the *Virginia Uniform Statewide Building Code* (USBC) ensure that buildings should be accessible as based on adherence to the provisions of the *International Building Code* (IBC) (with state amendments). The IBC contains multifamily accessibility standards that comply with federal fair housing law. These standards are applied to all localities across the Commonwealth through application of the *Virginia Uniform Statewide Building Code*. Generally, localities make every effort to comply with the accessibility requirements included in the building code. However, violations of the code can result in situations where units are left inaccessible until such time as the violation is identified and/or remedied.

Unlike building codes, local land use regulations are not uniform and vary from locality to locality. Due to the sheer number of local ordinances, it is difficult to comment on specific zoning and land use ordinances that may impede fair housing choice. However, local ordinances can restrict what type of development can occur in specific locations. This can intentionally or unintentionally limit housing choice for certain groups or individuals. Also, though income level is not a protected class, land use and zoning regulations have a definite impact on property values, and this can severely limit housing choice among the protected classes and possibly exacerbate existing discrimination. Local ordinances that are frequently found to be discriminatory involve those affecting people with disabilities, families, and those involving issues of national origin.

### **Home Mortgage Disclosure Act Data**

The Home Mortgage Disclosure Act (HMDA) mandates that certain financial institutions disclose demographic data for loan applicants. HMDA data, as provided by the Federal Financial Institutions Examination Council (FFIEC), is helpful in revealing information about approval and denial rates for applicants, particularly as relates to race and income levels. While HMDA data provides an excellent starting point for investigating discrimination in the mortgage market there is an important caveat to note when using HMDA data. HMDA does not require mortgage lenders to reveal data regarding an applicant's assets, debt, employment status or their credit history.<sup>35</sup> All of these factors significantly influence an individual's ability to secure a mortgage. Therefore, HMDA data should only be used as a starting point to investigate where discrimination might be occurring in the mortgage market.

In 2021, there were approximately 233,000 mortgage applications in Virginia that were tracked by HMDA.<sup>36</sup> Of these applications, about 6.5 percent were denied. Table 2.1 shows the total applications filed and denied in Virginia based on whether they were government backed

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<sup>35</sup> Schwartz, 231-232.

<sup>36</sup> This report utilized the HMDA tables, "HOME-PURCHASE LOANS, 1- TO 4-FAMILY AND MANUFACTURED HOME: Dwellings, by Income, Race and Ethnicity of Application, 2015."

mortgages or conventional mortgages.<sup>37</sup> Overall denial rates are comparable for both government backed and conventional mortgages.<sup>38</sup>

<b>Virginia Mortgage Applications Received and Denied: 2021</b>			
	<i>Applications Received</i>	<i>Applications Denied</i>	<i>Percent Denied</i>
<b>Total Government Backed Loans</b>	91,441	4,904	5.36%
<b>Total Conventional Loans</b>	141,545	10,228	7.23%
<b>Total: Government and Conventional Loans</b>	232,986	15,132	6.49%

Source: HMDA Data, Federal Financial Institutions Examination Council

**Table 2.1**

An important piece of data reported by HMDA, which is often a critical factor in the approval or denial of a loan, is the loan applicant's income level. An applicant's income is measured as a percentage of the Metropolitan Statistical Area (MSA) median income where the loan application was filed.<sup>39</sup> For example, if the MSA median income is \$65,000 and an individual submits an application with a reported income of \$40,000, then that person makes approximately 60 percent of the MSA median income, and they fall into the 50-79 percent of MSA median income category. In Table 2.2, one will see that government backed mortgages typically had lower denial rates than conventional mortgages, particularly at the lowest income levels. s

<b>Virginia Mortgage Denials by Income: 2021</b>		
<i>Applicant's Income as Percent of MSA Median Income</i>	<i>Government Backed Mortgage Denial Rate</i>	<i>Conventional Mortgage Denial Rate</i>
<b>&lt; 50%</b>	18.05%	22.65%
<b>50-79%</b>	7.07%	8.78%
<b>80-99%</b>	5.77%	7.39%
<b>100-119%</b>	5.34%	5.63%
<b>120 +%</b>	5.22%	4.44%

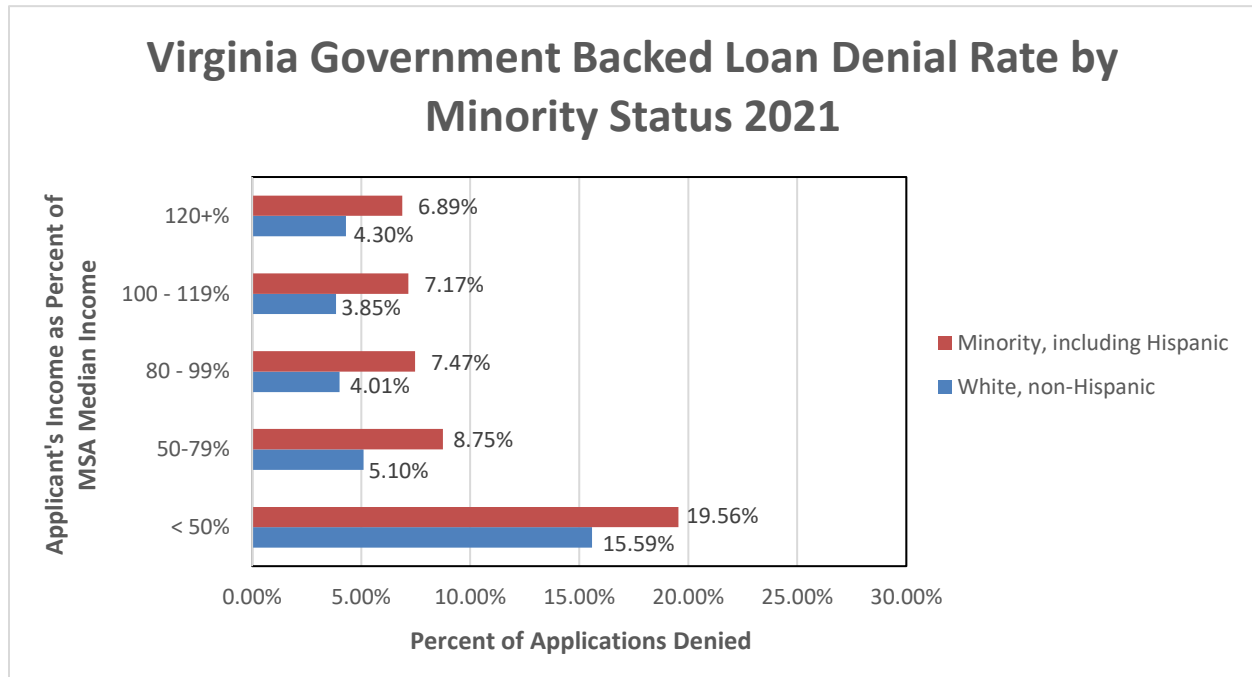
<sup>37</sup> Government backed mortgages according to HMDA data are Federal Housing Administration (FHA), Farm Service Agency (FSA), and VA (Veterans Affairs) backed mortgages. Conventional mortgages are those offered through typical banks and other lenders.

<sup>38</sup> Total applications received and denials are based on aggregate count of applicant race in table noted in footnote 34. Figures for loans originated, applications approved but not accepted, applications withdrawn, and files closed for incompleteness are not included in this report.

<sup>39</sup> HMDA data is compiled at the Metropolitan Statistical Area (MSA) level. As such, staff obtained estimated state level HMDA data by aggregating data for all of the MSA's reported in Virginia; this analysis may include the Washington, DC metro area and small parts of West Virginia (Winchester Metro) and Tennessee (Bristol-Kingsport Metro); areas outside the metros may not be counted.

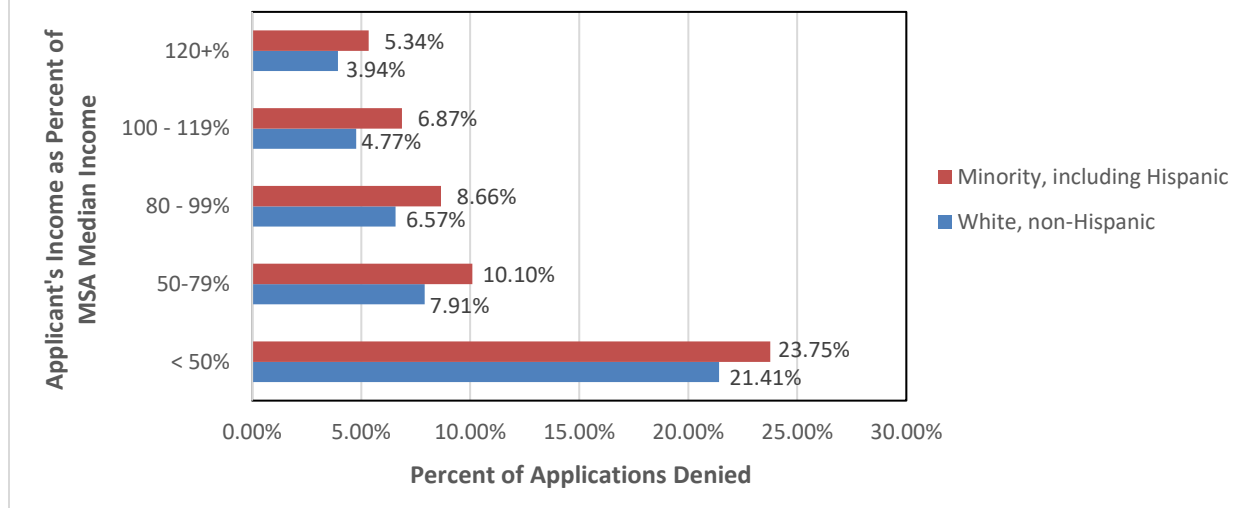
Source: HMDA Data, Federal Financial Institutions Examination Council  
**Table 2.2**

HMDA data also provides insight into denial rates as relates to minority status. Figure 2.1 and 2.2 show denials by minority status in both the Government and Conventional loan markets. In each market, minority applicants experienced higher denial rates at every income level. For the purposes of HMDA data, minority status includes accounting for both race and ethnicity, each of which could put an individual within a protected class (i.e. race, color, national origin).



Source: HMDA Data, Federal Financial Institutions Examination Council  
**Figure 1.1**

## Virginia Conventional Loan Denial Rate by Minority Status 2021



Source: HMDA Data, Federal Financial Institutions Examination Council

Figure 2.2

HMDA data reveals some important facts about mortgage denial rates in the Commonwealth and sheds light on possible impediments to fair lending. As might be expected, denial rates are higher at lower income levels. Generally, denial rates are lower for government backed mortgages than conventional mortgages. In regards to minority status, it is clear that minorities experience higher mortgage denial rates than Whites in both mortgage markets and at most income levels. This is the case even at the highest income levels.

From the HMDA data presented it is clear that minorities at various income levels often experience higher denial rates in the mortgage market than Whites at comparable income levels. The disparity in denial rates among races should act as a catalyst for a discussion among policymakers and stakeholders, encouraging these groups to ask why the disparity exists and what can be done to close the gap.

### Community Reinvestment Act Data

The Community Reinvestment Act's (CRA) main purpose is to ensure that financial institutions are lending to all neighborhoods from which they draw deposits. Specifically, it aims to make sure that low-income and minority communities are getting loans from local financial institutions. In striving to assure that fair lending practices are in place, the CRA has an important role in furthering fair housing choice. Similar to HMDA, certain financial institutions are subject to testing and reporting requirements under the CRA. CRA examinations investigate whether financial institutions are in fact providing loans to low-income communities and also, if they are adhering to fair housing law.

From 2017 to 2021, the Federal Reserve Board (FRB), the Federal Deposit Insurance Corporation (FDIC), and the Office of the Comptroller of the Currency (OTCC) examined 93 financial institutions in Virginia in regards to their adherence to the Community Reinvestment Act. The financial institutions varied in the size of their deposits, locations, and the type of institution. When a financial institution is examined by one of the four federal agencies responsible, they are given a rating as to how well they are carrying out the CRA mandate of among other things, lending to low-income neighborhoods and individuals within their service area. As seen in Table 2.3, between 2017 and 2021 more than 97 percent of financial institutions examined in Virginia received a “Satisfactory” or “Outstanding” rating while only two institutions received a “Needs to Improve” rating. During this same time period, no financial institutions in Virginia received the lowest CRA rating, “Substantial Noncompliance.”

<b>Virginia Community Reinvestment Act Ratings 2017-2021</b>		
<i>Rating</i>	<i>Number of Lenders</i>	<i>Percent of Total Lenders Examined</i>
<b>Needs to Improve</b>	2	2.15%
<b>Satisfactory</b>	73	78.49%
<b>Outstanding</b>	18	19.35%
<b>Total Examined</b>	93	100%

Source: FFIEC Interagency CRA Rating Search, FFIEC

**Table 2.3**

Based on the results of CRA testing, it appears that overall, financial institutions in the Commonwealth are complying with CRA mandates and lending to all neighborhoods from where they draw deposits. Only one institution was rated as needing improvement and upon further review, this bank did not have branches located within Virginia, only its headquarters and corporate address. It should be noted that the reverse could be true and one must consider that banks headquartered outside of Virginia may have branches in the Commonwealth that fail to comply with provisions of the CRA.

## **Testing Data**

Fair housing tests or audits are conducted to uncover discrimination in the real estate and rental housing markets. Testing involves using two individuals who are similar in age, income, employment, etc. and having them inquire by phone or in person about buying or renting housing. The “test” is that one person in the pair will belong to a protected class and the other will not. If the person in the protected class is treated differently in the housing transaction, discrimination might be occurring. Testing is commonly used to look for discrimination based on race, disability, national origin and familial status. National testing efforts have consistently found that discrimination is occurring in the housing market. The most recent national testing program, the “Housing Discrimination Against Racial and Ethnic Minorities 2012 (HDS2012),” finds that discrimination in the rental and sales markets persists for minority home seekers. Progress does appear to be occurring on the most obvious forms of discrimination (i.e. complete



denial of appointment to view housing) though data suggests a preference for white testers in regards to number of units/houses shown.<sup>40</sup> Also, the HDS found that the practice of *steering* (directing people to seek housing in certain neighborhoods based on their race) is still occurring.

In Virginia, there have not been fair housing testing efforts at the state level but localities and advocacy groups throughout the Commonwealth frequently conduct local fair housing tests. The Richmond based fair housing advocacy group, Housing Opportunities Made Equal (HOME), has undertaken significant testing efforts. HOME conducted paired testing for the Piedmont Housing Alliance in Albemarle/Charlottesville with results released in 2013 that indicated there was inconsistent treatment of testers based on race, lack of knowledge regarding reasonable modifications, and inconsistent treatment of families with children.<sup>41</sup> Though not protected classes under federal or state law, HOME conducted email testing in 2014 and 2015 pertaining to individual's sexual orientation or gender identity; 44 percent of same sex couple testers experienced negative differential treatment.<sup>42</sup> The City of Alexandria has had an active testing program since 1990; testing for discrimination in rental, sales and, mortgage lending markets. Loudoun County also conducted paired testing from 2010-2012. Though there are not testing results showing statewide evidence of discrimination in the housing market, national and local testing efforts lead one to believe that there is indeed discrimination throughout the housing market in the Commonwealth.

### **Stakeholder Survey Results**

In addition to the secondary data presented in this report, an online survey was conducted of housing and community development stakeholders in Virginia. DHCD surveyed stakeholders and partners on a range of housing issues including but not limited to those relevant to the Consolidated Plan. 60% of those surveyed agree the availability of affordable housing is an issue. In addition to availability of affordable housing, resources are needed for those experiencing homelessness. Based on the responses, there is a need to address the whole person. Addressing the whole person is shelter, job opportunities, and job training. Providing housing is important but the necessary components of housing require income to maintain rent and utilities, and access to modern water systems.

#### **Please provide a description of barriers to affordable housing in your area.**

- *"Lack of affordable housing"*
- *"Lack of accessible housing or ability to afford making current housing accessible."*
- *"I'm most familiar with the market value analysis for Richmond, which shows that the housing stock available is generally more expensive than what most Richmonders can afford; housing that is affordable are in neighborhoods with few resources."*

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<sup>40</sup> Prepared by the Urban Institute for the Department of Housing and Urban Development, "HOUSING DISCRIMINATION AGAINST RACIAL AND ETHNIC MINORITIES 2012," (2013).

<sup>41</sup> "Study Sheds Light on Housing Discrimination in Albemarle, Cville," NBC29.com, 2/20/2013, updated 3/6/2013 <http://www.nbc29.com/story/21290332/study-sheds-light-on-housing-discrimination-in-albemarle-cville>

<sup>42</sup> Housing Opportunities Made Equal of Virginia, Inc., "A Study of Housing Discrimination Against Same-Sex Couples in Virginia."

- *“Current housing costs versus current middle-income wages.”*
- *“That's the barrier--affordable housing.”*
- *“There is a very limited supply of affordable housing in our communities. This is something that is much needed. Any incentives/grants to encourage developers to build affordable housing would be utilized in our region.”*
- *“Land, lack of sincere buy-in from municipalities (giving tax breaks to low-income housing providers to keep rents low/affordable), sincere concern about housing for low-income families.”*

**Please tell us about specific housing, community development, and/or homelessness needs in your area.**

- *“There seems to be a general lack of shelter beds for the chronically homeless”.*
- *“Lack of affordable housing in general, especially in NOVA.”*
- *“Affordable accessible housing, funds for home modifications.”*
- *“Our programs have statewide reach and I'm aware that housing, community development and homelessness needs vary across the state. We've done considerable work to improve the walkability of communities, to support community members in preventing and managing chronic disease.”*
- *“We need to develop more workforce housing. Well and septic issues need to be addressed. We have over 100 applicants on our waiting list for the IPR program and funding is not sufficient to help tackle those needs.”*
- *“Need for affordable housing in safe areas with lots of shopping.”*
- *“We have utilized the CDBG Housing Rehabilitation Program for years here in the PDC region. A real need that is not being met are the walk-ins we get that are LMI families needing housing rehab; we cannot assist them because they are not located in a current CDBG designated project area. My desire is that thought be given to creating a new program that will assist LMI folks not located in a CDBG project.”*
- *“Affordable housing, youth programs for children of all ages.”*

**Portions of the Consolidated Plan resources are used to help rural (non-CDBG entitlement) communities in Virginia prepare for the future. This is accomplished by providing grants and technical assistance with completing community needs or economic assessments and for developing and implementing projects such as business district revitalization, housing, and telecommunications. Overall, how important would you say these planning and technical assistance resources are in your community?**

- *“Not sure.”*
- *“Important for rural areas.”*

- *“These resources are important, and the question makes me wonder how these community needs/economic assessments geared toward development should take into account existing or planned community health needs assessments.”*
- *“Very important. They provide housing upgrades, well and septic upgrades, and neighborhood improvements in lighting, drainage, and accessibility.”*
- *“Very important. They provide housing upgrades, well and septic upgrades, and neighborhood improvements in lighting, drainage, and accessibility.”*
- *“Very--note there are many rural areas in the Eastern part of Virginia that are still lacking resources--i.e.--the eastern shore.”*
- *“Extremely important. These grants continue to meet the needs in our communities and the administrative funds allow Southside PDC staff to continue the good work of assisting localities with application preparation and project administration.”*
- *“Very important.”*

## **Fair Housing Activity in Virginia**

### **Fair Housing Organizations and Programs**

In any discussion of fair housing organizations and programs it is readily apparent that there are numerous stakeholders involved in fair housing at the national, state and local levels. These stakeholders include federal and state agencies, local governments, non-profits, and of course, individuals seeking housing. While many of the parties involved in fair housing have already been discussed in this report, a snapshot of some of the key stakeholders and their responsibilities will be illustrative in showing how fair housing law translates into action in the Commonwealth.

Nationally, the preeminent agency regarding fair housing issues is HUD’s Office of Fair Housing and Equal Opportunity (FHEO). In addition to investigating fair housing complaints, FHEO also coordinates the Fair Housing Assistance Program (FHAP) and the Fair Housing Initiative Program (FHIP). A FHAP certified agency is a local agency (usually government) that has been certified by HUD to carry out investigations of fair housing complaints. Also, various local government and non-profit agencies receive FHIP funding. This funding supports outreach and educational programs that combat discrimination in the housing market and supports efforts to assist individuals who think they have been discriminated against. FHIP funding can also be used for testing programs. In addition to their national office, HUD has a regional Fair Housing Office in Philadelphia that serves a multi-state region that includes Virginia. A final arm of HUD that is important to fair housing, especially as applies to those with disabilities, is Fair Housing Accessibility FIRST. Fair Housing Accessibility FIRST provides information and technical guidance regarding compliance with the construction and accessibility requirements of the Fair Housing Act. Another key federal agency in fair housing issues is the U.S. Department of Justice. The Department of Justice is the agency tasked with taking legal action when fair housing complaints are referred to them by HUD. In addition to federal agencies, the National

Fair Housing Alliance (NFHA) is a national nonprofit dedicated to fair housing issues. This organization and others like it provides education and outreach, produce publications and research, advocates for fair housing, and provides connections to other fair housing related agencies at the national, state, and local levels.

At the state level, the Virginia Fair Housing Office, which is part of the Department of Professional and Occupational Regulation (DPOR), is responsible for investigating fair housing complaints in the Commonwealth as a HUD certified FHAP. The Virginia Fair Housing Office also provides education and outreach activities. Also a part of DPOR, the Virginia Real Estate Board investigates fair housing cases regarding real estate licensees and their employees. Housing Opportunities Made Equal of Virginia, Inc. (HOME) is also active within the state. HOME is a Richmond based non-profit that is involved in fair housing in a number of ways, including; fair housing research, investigating fair housing complaints, education and outreach for a variety of stakeholders, conducting fair housing tests, and fair housing advocacy. Additionally, the HUD field office in Richmond acts as a fair housing resource and is able to assist in filing complaints of discrimination.

At the local level, various counties and independent cities in Virginia operate their own Fair Housing Offices, Human Relations Commissions and similar entities that deal with fair housing issues. As stated, HUD can certify a locality as a Fair Housing Assistance Program (FHAP) and allow its relevant enforcement agency to investigate Fair Housing complaints. Local fair housing agencies often provide outreach and education and sometimes conduct fair housing tests in the rental and real estate markets in the areas they serve. Further, localities that are HUD entitlement jurisdictions are required to prepare their own *Analysis of Impediments to Fair Housing*. Adding to the services already offered by local governments, legal aid societies and a host of other non-profit entities frequently deal with fair housing issues at the local level in areas ranging from complaint investigation to educating housing professionals and citizens about their fair housing rights.

A variety of groups at the federal, state and local levels are involved with fair housing. These different organizations can provide services from informing citizens about their rights to enforcing fair housing law. It is important to note that while there are numerous agencies and organizations designed to assist citizens in fair housing matters and to combat discrimination in the housing market, these groups can only succeed so far as citizens and stakeholders are aware of the services available to them and elect to use these services.

### **Enforcing Fair Housing: The Complaint Process**

If an individual feels they have been the victim of discrimination in the housing market, they have the option of filing a fair housing complaint. Individuals can also file complaints on behalf of family members and friends. In Virginia, fair housing complaints can be filed with the HUD Office of Fair Housing and Equal Opportunity, the Virginia Fair Housing Office, the Real Estate Board, or with any local entity that is certified under the HUD Fair Housing Assistance Program (FHAP). A number of state and local non-profits and legal aid societies will also investigate claims of discrimination in the housing market though they must eventually refer claims to one

of the official agencies for enforcement to occur. HUD, the Virginia Fair Housing Office, and FHAP certified agencies can all resolve fair housing complaints. In some cases, state and local agencies might refer complaints, via HUD, to the U.S. Department of Justice (DOJ) for civil or criminal proceedings.<sup>43</sup>

The complaint process begins when an individual files a complaint with one of the relevant agencies. Next, there is a review to determine correct jurisdiction (by law HUD must refer cases to an FHAP if there is one available) and then the complaint is served on the respondent. An investigation is then initiated and HUD or the FHAP interviews relevant parties, reviews documents, and may conduct an onsite visit. HUD and FHAPs must complete their investigations and make a determination of discrimination within 100 days of receiving a complaint (if this is not feasible it must be noted that additional time is required). Once HUD and an FHAP receive a complaint, they work with the parties involved to attempt conciliation, resolution without an official determination of discrimination. Conciliation can result in the party that discriminated agreeing to compensate the other party for damages and possibly signing an agreement promising to end discriminatory practices. If conciliation is not possible and HUD or the FHAP find cause for a complaint of discrimination, the parties can settle the matter administratively or take the case to federal district court or civil court for litigation. It is rare that cases of discrimination in the housing market go to court as the process generally works to avoid legal proceedings.<sup>44</sup> In addition to the processes outlined here, an individual may bring a fair housing case directly to state or federal court.<sup>45</sup>

## **Overcoming Impediments to Fair Housing Choice**

### **Impediments to Fair Housing**

#### **1. Discrimination in the rental and sales housing markets. Particularly, discrimination based on disability and race.**

Despite federal, state and local laws, training programs, outreach and education efforts, and institutional policies, discrimination in the housing market persists in the Commonwealth. Fair housing complaint data reported in the AI shows that every year, there are hundreds of complaints of discrimination in the housing market. Additionally, fair housing testing efforts frequently find that discrimination is evident in the rental and sales housing markets. Finally, survey results show that housing stakeholders in the Commonwealth believe various kinds of discrimination exists in the housing markets in their service areas. Issues of particular note are discrimination based on race and disability. The following actions may help to overcome discrimination in the housing market in the Commonwealth:

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<sup>43</sup> U.S. Department of Justice: The Fair Housing Act, <https://www.justice.gov/crt/fair-housing-act-1> (February 28, 2012).

<sup>44</sup> U.S. Department of Housing and Urban Development, *OFFICE OF FAIR HOUSING AND EQUAL OPPORTUNITY ANNUAL REPORT TO CONGRESS FY 2016 (2017)*, 22.

<sup>45</sup> U.S. Department of Justice: The Fair Housing Act, <https://www.justice.gov/crt/fair-housing-act-1> (May 21, 2018).

- Increase testing and enforcement efforts in the rental and sales housing markets to ensure all housing consumers are offered an equal opportunity to access housing options in their communities; publicize results of testing programs.
- Increase education efforts for landlords, leasing agents, and real estate professionals about their fair housing responsibilities; in particular, stress the importance of making reasonable accommodations for persons with disabilities
- Increase education efforts for individuals seeking housing so they are aware when they are victims of discrimination and so that they are aware of their options to resolve the situation.
- Increase enforcement of affirmative marketing of affordable housing

**2. Constraints in the mortgage lending market. Minorities experience higher denial rates in the mortgage markets at all income levels, particularly at the lowest income levels in the conventional loan market.**

Data from the Home Mortgage Disclosure Act shows that minorities experienced higher mortgage denial rates than their white cohorts across income levels. This data trend is consistent among both conventional and government backed mortgages. The following recommendations may help to alleviate constraints in the mortgage lending market:

- Increased oversight of mortgage lending and denial practices.
- First-time homebuyer education, affirmatively marketed to minorities.
- Continued support of financial literacy and credit counseling initiatives.
- Increased awareness regarding the availability of Federal Housing Administration (FHA) and other government supported loans.
- Reassess HMDA data once 2018 changes have occurred which include additional applicant data (including creditworthiness).

**3. Additional fair housing education among real estate agents, landlords, housing providers, local officials, and especially, individuals is needed. Training available outside the major metro areas is needed.**

The education needed will differ among real estate agents, landlords, housing providers, local officials, and individuals. A particular focus of fair housing education may want to focus on renter/homebuyer education. This is reinforced by the fact that the majority of fair housing complaints filed do not lead to a violation or charge by the Fair Housing Board. Specific education for housing providers and individuals might include how to file a fair housing complaint. Local officials should be informed on the types and rate of discrimination occurring in their jurisdiction. While survey results were mixed regarding fair housing education, many of the open-ended responses noted the importance of fair housing education, especially outside the metro areas. The following recommendations may assist in providing additional fair housing education and outreach among real estate agents, landlords, housing providers, local officials, and individuals:

- Increase fair housing educational opportunities for renters and homebuyers.

- Increase the availability of seminars and classes for housing providers regarding fair housing law; expand such educational opportunities to include rural and non-metro areas, consider online venues.
  - Up-to-date, relevant, and clearly written fair housing materials for individuals made readily available on multiple state websites and in housing providers' offices.
  - Encourage housing providers and other relevant stakeholders to utilize social networking and social media to inform both clients and landlords of fair housing policy.
- 4. Limited availability and access to quality affordable housing constrains choice; there are a large number of low-income households in need of affordable housing and there are a large number of cost-burdened households, especially in the rental housing market. "Crowding out," and combined transportation and housing costs are areas of concern regarding affordable housing.**

Affordability of housing, which is linked to an individual's or household's income, does not designate one as having protected class status. However, as outlined in this report, certain individuals and groups are disproportionately represented among lower income levels. In particular, minorities, families with children, and single mothers experience lower incomes and poverty at higher rates than society as a whole. Survey respondents expressed difficulty in building quality affordable housing due to the cost of property, local opposition, local land use policies, and lack of transportation. The combination of housing and transportation costs is of particular concern as access to housing and employment is often mismatched, requiring challenging and expensive commutes in order to afford housing. Many households in the Commonwealth that would not be designated as low-income are housing cost-burdened, paying 30 percent or more of their income towards rent. New data incorporated into this report reflects an additional concern in the housing market with significant "crowding out" in many regions of the state; in these cases people buy or rent housing below their means thereby making it unavailable to those with lower incomes. In sum, for those individuals and groups that may already be experiencing discrimination in the housing market, an inability to physically or financially access affordable housing may exacerbate an already difficult situation. Though affordable housing is an issue across the housing market, it is particularly acute in the rental housing market. There is no one, easy avenue to provide quality affordable housing to all those in need but there are certain steps that stakeholders in the Commonwealth can take to ease the situation. The following recommendations might assist in increasing availability and access to quality affordable housing:

- Continued support of federal, state, and local efforts to preserve and produce quality affordable housing.
- Continued support of partnerships between nonprofit, state, local, and federal partners to efficiently leverage resources for the production of affordable housing.
- Support of public-private partnerships that create affordable and mixed-income housing.
- Support of efforts that match appropriately priced housing with varied transportation options.
- Promote the use of housing databases such as those offered by the Virginia Housing Development Authority (VHDA), <http://www.virginiahousingsearch.com/>.

## **Appendix A: Fair Housing Resources**

For more information regarding fair housing choice and related issues, the organizations listed in Appendix A provide a wide variety of information and services. If you or someone you know has been discriminated against in the housing market and would like to file a complaint, please contact one of the agencies denoted with an asterisk.

### **National**

**\*Department of Housing and Urban Development (HUD), Office of Fair Housing and Equal Opportunity (FHEO):** Provides a wide variety of fair housing information as well as information about filing a Fair Housing complaint via phone, mail, or online.

[https://portal.hud.gov/hudportal/HUD?src=/program\\_offices/fair\\_housing\\_equal\\_opp](https://portal.hud.gov/hudportal/HUD?src=/program_offices/fair_housing_equal_opp)

FHEO Headquarters  
U.S. Department of Housing and Urban Development  
451 7th Street, SW  
Washington, DC 20410

**\*HUD Regional Fair Housing Office:** Assists in filing fair housing complaints and conducts training and outreach for a multi-state region.

U.S. Department of Housing and Urban Development  
The Wanamaker Building  
100 Penn Square East, 12th Floor  
Philadelphia, Pennsylvania 19107-3380  
(215) 861-7637  
1-888-799-2085  
TTY (215) 656-3450

**\*United States Department of Justice:** Based on complaints filed with HUD, they bring suit against alleged violators of the Fair Housing and Equal Credit Opportunity Acts. They also provide information related to fair housing law.

<https://www.justice.gov/crt/housing-and-civil-enforcement-section>

Housing & Civil Enforcement Section  
(202) 514-4713  
TTY - 202-305-1882  
FAX - (202) 514-1116  
Fair Housing Tip Line (to report an incident of housing discrimination): 1-800-896-7743  
fairhousing@usdoj.gov

**National Fair Housing Alliance:** A consortium of more than 220 private and non-profit agencies across the country that work to end discrimination in the housing market. They provide a number of services and programs including: education and outreach opportunities, fair housing testing (often through local organizations), advocating for fair housing causes, and conducting fair housing research.

<http://www.nationalfairhousing.org/>



National Fair Housing Advocate Online: Provides research, resources, and general information for a variety of fair housing issues.

<http://fairhousing.com/>

Fair Housing Accessibility FIRST: HUD sponsored entity that provides information and technical guidance regarding compliance with the construction and accessibility requirements of the Fair Housing Act.

<http://www.fairhousingfirst.org/index.asp>

ForRent.Com - Fair Housing Blog: ForRent.com's *Fair Housing Blog* provides a forum with expert advice in response to inquiries provided by rental and apartment managers and owners.

<https://www.forrent.com/solutions/apt-pros/fair-housing/>

### **State/Local**

\*Virginia Fair Housing Office, Department of Professional and Occupational Regulation (DPOR): Provides general information about fair housing law in Virginia, provides outreach and training events, and investigates Fair Housing complaints in Virginia.

<http://www.dpor.virginia.gov/FairHousing/>

Perimeter Center  
Suite 102 (first floor)  
9960 Mayland Drive  
Richmond VA 23233  
(804) 367-8500

Email: [FairHousing@dpor.virginia.gov](mailto:FairHousing@dpor.virginia.gov)

\*Housing Opportunities Made Equal (HOME) of Virginia: A Richmond, Virginia based non-profit that provides fair housing education and outreach opportunities, conducts testing, conducts research, and in addition to providing a number of other services, will investigate claims of discrimination in the housing market.

<http://homeofva.org/>

HUD Richmond Field Office: Administers HUD programs in the state of Virginia outside of the Washington, DC area.

600 East Broad Street, Third Floor  
Richmond, VA 23219  
Telephone: (800) 842-2610  
Email: [va\\_webmanager@hud.gov](mailto:va_webmanager@hud.gov)  
Fax: (804) 822-4984  
TTY: (804) 771-2038